

# The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, OCTOBER 18, 1928

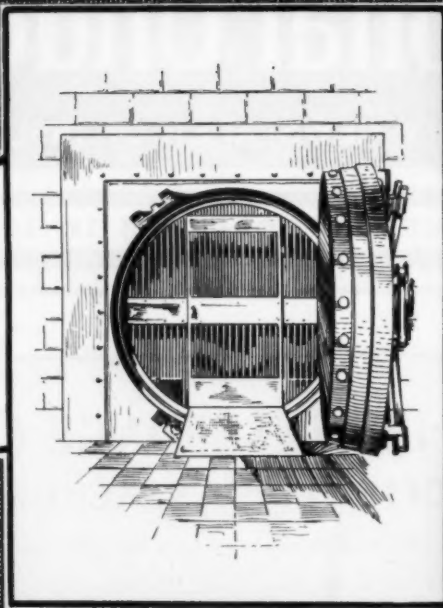
## SENTINEL FIRE INSURANCE COMPANY SPRINGFIELD, MASSACHUSETTS

GEORGE G. BULLLEY, PRES. HARDING & LINTINE, MGRS., CHICAGO. GEORGE W. DORRIN, MGR., SAN FRANCISCO



# INSURANCE SAFETY

There may be a time  
when the Soundness  
of your Insurance



will mean even more  
to you than the Sound-  
ness of your Bank.

Capital

\$3,000,000.

Home Office  
4th & Walnut St.  
Philadelphia  
Penna.



Dep't Offices  
Atlanta  
Chicago  
Dallas  
San Francisco

## AFFILIATED COMPANIES

The Reliance

Insurance Company

Capital \$1,000,000.

J.W. Cochran  
President

Victory

Insurance Company

Capital \$1,000,000.



ALMOST EVERY KIND **INSURANCE** EXCEPTING LIFE



**AMERICAN EQUITABLE ASSURANCE CO., OF NEW YORK**

July 1, 1928 Statement

ASSETS	LIABILITIES	CAPITAL	VOLUNTARY RESERVE	POLICYHOLDERS SURPLUS
\$8,506,689.00	\$3,980,598.46	\$2,000,000.00	\$1,000,000.00	\$4,526,090.54

**BRONX FIRE INSURANCE COMPANY OF THE CITY OF NEW YORK**

July 6, 1928 Statement

\$4,278,800.00	\$1,778,800.00	\$1,000,000.00	\$1,227,500.00	\$2,500,000.00
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**BROOKLYN FIRE INSURANCE CO.**

June 30, 1928 Statement

\$4,813,680.24	\$2,313,680.24	\$1,000,000.00	\$946,275.96	\$2,500,000.00
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**GLOBE INSURANCE COMPANY OF AMERICA**

PITTSBURGH, PA.  
(INCORPORATED 1862)  
July 1, 1928 Statement

\$1,404,028.52	\$683,072.90	\$300,000.00		\$720,955.62
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**KNICKERBOCKER INSURANCE CO., OF NEW YORK**

July 1, 1928 Statement

\$3,656,053.13	\$1,670,514.41	\$1,000,000.00	\$150,000.00	\$1,985,538.72
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**MERCHANTS AND MANUFACTURERS FIRE INSURANCE CO.**

NEWARK, N. J.  
(CHARTERED 1849)  
June 30, 1928 Statement

\$4,783,781.48	\$2,283,781.48	\$1,000,000.00	\$914,170.20	\$2,500,000.00
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**NEW YORK FIRE INSURANCE CO.**

(INCORPORATED 1832)  
June 30, 1928 Statement

\$1,997,043.45	\$217,135.13	\$1,000,000.00		\$1,779,908.32
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**REPUBLIC FIRE INSURANCE COMPANY**

PITTSBURGH, PA.  
(INCORPORATED 1871)  
June 30, 1928 Statement

\$2,489,293.27	\$963,897.61	\$610,000.00	\$100,000.00	\$1,525,395.66
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**SYLVANIA INSURANCE COMPANY OF PHILADELPHIA, PA.**

July 1, 1928 Statement

\$4,788,572.60	\$1,788,572.60	\$1,500,000.00	\$1,199,877.04	\$3,000,000.00
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**Classes of Insurance Written**

[[ FIRE, AUTOMOBILE, EXPLOSION, RIOT, CIVIL COMMOTION, TORNADO AND WINDSTORM, SPRINKLER LEAKAGE, USE AND OCCUPANCY, PROFITS, LEASEHOLD AND GENERAL MERCHANDISE FLOATERS ]]

**SOUND - - PROGRESSIVE - - EQUITABLE***These Are Our Keynotes*

We welcome and invite this class of agency representation.

**CORROON & REYNOLDS, Inc.**

MANAGER

92 WILLIAM STREET

NEW YORK CITY, N. Y.

# Education on Car Operation



**Nº 8**  
of a series of  
advertisements  
having to do with  
the Agent's part  
in saving Life  
and Property



*A reduced  
number of losses  
means  
Lower Rates*

**I**T HAS been estimated that 95% of all automobile accidents result from some failure of the human machine rather than from faulty mechanism or improper engineering.

Education is the power that can combat this condition. Teaching highway accident-prevention in the schools reaches the children and talks by agents before men's and women's Civic Clubs reach the grown-ups.

The National Safety Council will furnish samples of the literature and the necessary instructions to any school, at the request of an agent.

## Indemnity Insurance Company of North America

PHILADELPHIA



# The National Underwriter

Thirty-Second Year No. 42

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, OCTOBER 18, 1928

\$4.00 Per Year, 20 Cents a Copy

## BUREAU APPROVAL OF CHICAGO PLAN GIVEN

Willing to Accept Agreement as Reported or Confer on Modifications

## TO CONTINUE COMMITTEE

Action Taken Toward Relinquishing Jurisdiction Over Automobile Commissions

BY HOWARD J. BURRIDGE

"Moved, that we approve the report of the tri-lateral committee and recommend the continuance of our section of that committee in an effort to bring the proposed agreement into effect or come to an agreement on modifications which will be satisfactory to the Chicago Board, the Union and the Western Insurance Bureau."

This resolution was adopted by the Western Insurance Bureau at its semi-annual meeting at Old Point Comfort, Va., last week. It was opposed by only two company groups in the Bureau. Its adoption was the most important action taken by the Bureau at the Old Point Comfort meeting, which was well attended and full of interest.

### Put Up to Western Union

This move by the Bureau puts the final responsibility for the success or failure of the so-called Chicago plan at the door of the Western Union. It will be remembered that the program for the regulation of brokerage and commissions in Chicago was drawn up by a committee consisting of three members from the Chicago Board, the Western Union and the Western Insurance Bureau. The plan, in all of its details, was approved by the committee representing the Chicago Board. At the recent meeting of the Western Union it was presented to that body for approval, but certain powerful company groups insisted upon the insertion of three modifications. These were that Class 2 agents be paid 5 percent more than brokers; that the amount of contingent paid to Class 1 agents be definitely fixed at 10 percent and that the entire program be made effective upon the approval of the three organizations instead of Jan. 1, 1929. With these changes included the Union gave its approval.

### More Meetings of Committee

Now the Bureau has approved the original plan without the modifications insisted upon by the Union. As a consequence there will have to be more meetings of the tri-lateral committee, at which there will no doubt be made an effort to persuade the Union to withdraw its modifications or to alter them in such a way as to make them satisfactory to the Board and the Bureau, as well as the Union.

There are those who look upon this

## SINGLE GOVERNING BODY FOR WEST IS ADVOCATED

SAYS READJUSTMENT NEEDED

W. S. Crawford of New York "Journal of Commerce" Cites Present Difficulties

NEW YORK, Oct. 17.—William S. Crawford, insurance editor of the "Journal of Commerce," in an extended article in his paper this morning holds the time "ripe for a realignment of the fire insurance companies in the west." He pointed out that in large degree the same companies are in association in the east, the south and on the Pacific coast, being divided into separate camps only in the west.

### Non-Affiliated Situation Cited

Because of the clear agency plant of the Western Union, it is noted, the non-affiliated companies have been unable to get into agencies representing the latter type of companies but have had no difficulty in securing representation in Bureau agencies, paying high commissions and cutting seriously into the income of the Bureau companies.

Mr. Crawford advocates the creation of one strong western body, whether through an extension of membership of the Union or the formation of an entirely new body, making a clear demarcation between organization and free lance institutions.

### Many Favor Idea

Some of the leading offices of the Bureau as well as those of the Union are understood to be sympathetic with the consolidation idea and freely predict that one governing body offers the only practical method of meeting the competition of the rapidly growing number of non-affiliated institutions.

action of the Bureau as a shrewd piece of strategy, as it puts the next move up to the Union and records the Bureau as being willing to go along with the Chicago Board on the original plan with no modifications.

### Resolution on Automobile Commissions

The other important resolution adopted by the Bureau at last week's meeting was the one relating to the relinquishing of jurisdiction over automobile commissions. The statement given out by the Bureau regarding this resolution reads:

"The Western Insurance Bureau has heretofore relinquished jurisdiction over automobile business, except as to commissions, having authorized the executive committee to relinquish jurisdiction, and if advisable thereafter, to reassume jurisdiction as to commissions on this class.

### Can Now Meet Competition

"At its meeting today, the Bureau requested the executive committee to relinquish jurisdiction over commissions on automobile business as soon as the committee deems it advisable so to do. This action on the part of the Bureau was prompted by the reported general non-observance of any limited commis-

(CONTINUED ON PAGE 41)

## OHIO TAX INCREASE FOR 1926 IS HELD ILLEGAL

LAW DECLARED RETROACTIVE

Metropolitan Life Wins in Court of Appeals in Action Affecting All Companies

COLUMBUS, O., Oct. 16.—Collection of the additional one-half of 1 percent tax on premiums in Ohio for 1928 under the Meyers act of 1927 is illegal, according to a decision of the Court of Appeals rendered this week. The Court of Appeals sustained the Franklin county Common Pleas Court in its ruling against the additional levy on the ground that the law, passed in 1927, was retroactive as to 1926 premiums and therefore unconstitutional.

The decision does not affect the right of the state to collect the additional tax on premiums of later years. However, by the time the case gets through the supreme court the new legislature will have met in 1929 and there is a possibility that the oppressive imposition may be removed.

### Jammed Through on Last Day

The 3 percent tax law was introduced and passed on the last day of the legislative session of 1927. The legislature had made immense appropriations and although the governor vetoed some of them it became apparent there would be a great deficit in state revenue. Some one thought of an increase in the taxes of insurance companies and the bill was introduced and put through on the very last day. Insurance men, of course, had no notice and no opportunity to contest its passage. However, they raised such a protest that Governor Donahey gave them two hearings on the question of veto. The governor was convinced of the injustice of the tax and refused to sign it, but in view of the state's great need of additional revenue he allowed the measure to become law without his signature. The old tax was 2½ percent and the increase to 3 percent means an additional cost of about \$1,000,000 a year to the insurance companies operating in the state.

### Action by Metropolitan Life

There was considerable talk of resisting the entire tax on the principles of the Hanover case in Illinois, which had just been decided by the Supreme Court of the United States. Many insurance lawyers believe the entire tax could be knocked out in view of the Hanover decision. No such drastic action was taken, but the Metropolitan Life made objection to the retroactive feature of the law. The extra tax means about \$250,000 a year to that company and it refused to pay the additional levy on its premiums of 1926. To protect itself it brought an action restraining the insurance superintendent from revoking its license because of such refusal. The court held for the Metropolitan Life and this action is now sustained by the Court of Appeals.

The suit of the Metropolitan Life was what is known as a class suit and was brought in such form as to allow all companies in the same situation to participate. By agreement the insur-

(CONTINUED ON PAGE 23)

## AVIATION COMPANIES NOW IN THE FIELD

Aero Insurance Company and Aero Indemnity Are Out for Business

## HAVE A COMPLETE LINE

Corporations Have Strong Backing—Horatio Barber Is President and His Office Will Be Manager

NEW YORK, Oct. 17.—In recognition of the new underwriting factors involved in aviation insurance, a flying field force will be one of the features of the new companies officially launched in New York last week, the Aero and Aero Indemnity. All of the field organization will not, of course, take to the air, but the new organization will be equipped with a lane which will permit its engineers and field service men to cover any section of the country at short notice and arrange for the closing of fleets and large lines. This is done because of the nature of the risks which require special technical investigation and action with a minimum of delay.

### Headed by Barber

The Aero and Aero Indemnity are put into the field as exclusively aviation insurance companies, offering a complete line of coverage, fire, casualty and liability lines. The underwriting will be done by Barber & Baldwin, the pioneer aviation insurance office in this country, a part interest of which is owned by the same holding company which owns these two aero insurance companies, the Aero Underwriters Corporation. Horatio Barber is president of all four of these companies and in addition a new company formed to handle the engineering service, the Aero Engineering & Advisory Service. Mr. Barber is the pioneer aviation underwriter, writing the first air policy in 1912 and forming Barber & Baldwin in 1922. Major George L. Lloyd, who has been his vice-president in the underwriting company, becomes vice-president of all five companies.

### Strongly Financed

The popular appreciation of aviation and its many contacts is seen from the financing details of the new companies. The two insurance companies and the engineering company were launched fully financed by banking interests and the only public subscription of stock was for the holding company, the Aero Underwriters Corporation. This had 250,000 shares of no par value, selling at \$35 and thus netting some \$8,000,000 as the total value of the issue, a portion of which was retained for the management. The public offering was announced last Thursday in New York and before evening the entire offering had been oversubscribed many times. This has been the result in the market with most avia-

(CONTINUED ON PAGE 50)

## TAKE SEPARATION ISSUE TO COURT IN OKLAHOMA

### HARMONIA GETS INJUNCTION

Restraints Commissioner from Revoking License Because of Action Taken in Tulsa Agency

OKLAHOMA CITY, Oct. 17.—An injunction has been served on Jesse G. Read, Oklahoma insurance commissioner, temporarily restraining him from taking any steps toward revoking the license of the Harmonia Fire, pending the decision of the court as to the legality of the action. The case is set for Oct. 22. H. B. Head, state agent for the company, had planted an agency with Landes, Seever & Thornton of Tulsa, but when he discovered that the Tulsa agency also represented the Prudential Fire of Oklahoma City, it is alleged that he demanded that Landes, Seever & Thornton surrender the Prudential agency and sever connection with that company, stating that in case of their refusing to do so, the Harmonia would take up all supplies. Mr. Head is said to have stated that it is the policy of the company to be represented only by agents who represent other Union companies, and that the Prudential is non-affiliated, therefore the Tulsa company is operating a mixed agency.

#### Threatens License Revocation

When the matter was referred to Commissioner Read, he advised Landes, Seever & Thornton that such action on the part of the Harmonia's state agent was contrary to the insurance laws of Oklahoma and unless the company withdrew its request within ten days, he (the commissioner) would cite the company to appear and show why its license should not be revoked. He based his opinion upon Paragraph C, Section 6749 of the compiled Oklahoma statutes of 1921, which reads:

"Any insurance company, foreign or domestic, which requires any persons as a condition precedent to a business appointment as agent, or as conditional to retaining its agency, to refuse or surrender the agency of any authorized and duly licensed domestic insurance company of this state, shall forfeit its authority and every person concerned in making such requirements or communicating the same to such local agents, directly or indirectly, shall be guilty of a misdemeanor and be subject to fine not to exceed \$1,000, and the company so offending shall be subject on conviction to fine not to exceed \$1,000."

#### "Will Enforce Statute"—Read

"The agency problem," said Mr. Read, "is one over which the state insurance commissioner has control and I shall confine my jurisdiction to that portion of the act which governs the insurance company itself. As insurance commissioner, I expect to enforce this statute just as I have all other statutes."

Mr. Head declined to withdraw his request, claiming that the statute quoted by Mr. Read was unconstitutional and void, and that the Harmonia has a right to choose who shall represent it and employ and discharge its agents at will. The injunction served on Mr. Read also enjoins him from citing the company to appear for a hearing, to show why its license should not be cancelled.

#### Will Make Fargo Inspection

A four-day education and inspection campaign will be conducted in Fargo, Oct. 30-31 and Nov. 1-2, by the North Dakota State Fire Prevention Association, at the invitation of the chamber of commerce and the local agents association. Rotary, Kiwanis, Lions and other service clubs, including women's organizations, will participate in the activity. Boy Scouts and firemen will accompany the inspectors in their work.

## COMMISSIONER OPPOSES LLOYDS DISSOLUTION

### SAYS MANY CLAIMS UNPAID

Wells Urges That Policyholders, Illinois Department and Others Interested Be Given Hearing

DULUTH, MINN., Oct. 17.—Duluth backers of the American Lloyds of this city, in liquidation since July 1, its policies either having been cancelled or re-insured in the Alliance of Philadelphia, were given a severe jolt by Commissioner Wells in a hearing before the district court here of a petition for the dissolution of the organization.

Mr. Wells in opposing the petition stated that the Lloyds is liable to its policyholders on the contracts as originally issued and that it has insurance contracts now in force amounting to several million dollars. He is also of the opinion that many claims made against the American Lloyds of Duluth have not been paid. He asked the court to direct the petitioners to give proper notices to policyholders in Duluth and to the insurance commissioner of Illinois and others entitled to notice, who should be given the opportunity to intervene in the court action. Judge Magney took the action under advisement following the hearing.

The petition for the dissolution and termination of the trusts involved set out that American Lloyds of Duluth is not incorporated or organized and that it is backed by 490 individuals, mostly residents of Duluth. It was licensed in Minnesota and Illinois. The petition was filed by the Superior Underwriting Company of Illinois, attorney-in-fact for the Lloyds, and the City National Bank of Duluth, holder of \$390,000 in securities, deposited by the 490 individuals interested to guarantee the payment of losses under poli-

## WILL CLEAR UP TANGLE IN PACIFIC NORTHWEST

### EASTERN MANAGERS' ACTION

Chairman Milligan Authorized to Name Committee With Ample Power to Act

NEW YORK, Oct. 17.—As the outcome of a meeting of the eastern conference dealing with Pacific Coast matters held here yesterday, it was decided that Chairman Edward Milligan appoint a special managerial committee to go to the west coast, clothed with ample powers, and endeavor to bring order out of the chaos existing in the northern coast territory, and which threatens to extend to other sections of the field.

It may be that such heroic methods as declaring rate and commission agreements off will have to be resorted to, and such procedure will be followed if no other course appears possible.

It was recognized that the Pacific Board has already done all within its power to remedy the situation and that whatever further action is needed would have to be determined upon by the chief company executives of the east.

#### Michigan F. & M. Moves

The Michigan Fire & Marine has moved to more commodious quarters in the Greater Penobscot building, Detroit. The company's offices, which are now being settled, will probably acquire additional space in the building at a later date.

cies outstanding. It was stated at the court hearing that the American Lloyds has 12,000 policyholders in Minnesota and Illinois. With the sale of its business to the Alliance, the guarantors have been hoping to pull out with a comparatively small proportion of loss.

## CONDENSED NEWS OF THE WEEK

Two exclusively aviation insurance companies are launched. **Page 3**

Western Insurance Bureau approves Chicago commission agreement but continues committee for conference on proposed modification. **Page 3**

Harmonia Fire enjoins Oklahoma commissioner from revoking its license because of withdrawal from Tulsa agency where non-affiliated company was represented. **Page 4**

The injunction suit restraining companies from enforcing the separation agreement in West Virginia is withdrawn. **Page 15**

Alvin J. Fox of Oshkosh is elected president of the Wisconsin Association of Insurance Agents. **Page 5**

Clyde B. Smith, chairman of the executive committee of the National Association of Insurance Agents, speaks at Wisconsin meeting. **Page 7**

Walter Greene tells Wisconsin agents they failed in membership drive. **Page 8**

The New Hampshire association votes to uphold the Milwaukee declaration at its annual meeting. **Page 6**

Preparations are being made for the big insurance week at the Hotel Astor in New York, starting Dec. 10. **Page 4**

Vermont agents endorse Milwaukee declaration at convention. **Page 14**

F. P. Hamilton, vice-president and western manager of the Queen, is made chairman of the governing committee of the Western Union. **Page 10**

George E. Crosby, advertising manager of the Aetna Fire and secretary of the Insurance Advertising Conference, is dead. **Page 24**

Minnesota commissioner opposes petition for dissolution of American Lloyds of Duluth. **Page 4**

The Court of Appeals of Columbus, O., has held the tax increase act of 2½ percent to 3 percent unconstitutional. **Page 3**

Estimates put \$8,000,000 as the amount the companies will have to pay as a result of the recent Florida tornado. **Page 7**

Firemen's group offers increased commissions in east as answer to E. U. A. separation activities. **Page 12**

The National Automobile Underwriters Conference will take up subject of non-conference competition at its next meeting. **Page 15**

Charles H. Burras of Chicago has ambitious plans for a political organization. **Page 43**

Comment on the compensation rate situation made by one of the big companies. **Page 45**

G. E. Turner of the Casualty Information Clearing House spoke to the Ontario Fire & Casualty Agents' convention. **Page 45**

New feature of Massachusetts compulsory law deprives motorists of personal service in suits for damages. **Page 43**

Wisconsin bureau sends out rules for extension of coverage to undesirable compensation risks. **Page 44**

H. P. Stellwagen and Francis R. Stoddard are in Chicago to attempt solution of the fidelity and surety acquisition cost puzzle. **Page 43**

Bad experience under bankers' fidelity bonds results in nation-wide rate increase. **Page 43**

The Fire Insurance Company of Chicago plans to begin writing business Jan. 1, 1929. **Page 7**

## BIG INSURANCE WEEK WILL BE PROMINENT

### MANY MEETINGS SCHEDULED

Hotel Astor in New York Will Have Numerous Organizations Holding Conferences and Conventions

Preparations are already being made to make the big insurance week starting at the Hotel Astor in New York, Dec. 10, a memorable one. The Insurance Federation of America will start the ball rolling on that day with its annual meeting and banquet in the evening. The National Convention of Insurance Commissioners will hold its meeting Tuesday and Wednesday. The Association of Life Insurance Counsel will hold its annual meeting during the week. The annual meeting of the Association of Casualty & Surety Executives will be held at the hotel the same week. The Association of Life Insurance Presidents will hold its annual meeting Thursday and Friday of that week.

#### Many Committee Meetings

During the week there will be a number of meetings of executive committees of insurance organizations. The National Association of Insurance Agents, National Association of Casualty & Surety Agents, International Association of Casualty & Surety Underwriters, Health & Accident Underwriters Conference, American Mutual Alliance, American Life Convention and perhaps others will have their meetings scheduled. The Casualty Information Clearing House will hold its annual meeting that week.

### WESTERN CONFERENCE MEETS

H. A. Miller of North America Re-elected President of Automobile Underwriters

At the annual meeting of the Western Automobile Underwriters conference, held in Chicago Wednesday H. A. Miller, of the North America, was elected president; E. A. Henne, America Fore, vice-president, and Ralph Rawlings, Boston and Old Colony, treasurer.

#### New Executive Committee

The executive committee is composed of George H. Bell, National of Hartford; F. P. Hamilton, Queen; W. A. Chapman, Fireman's Fund; A. F. Powrie, Fire Association; George Tramel, Automobile; A. G. Dugan, Hartford; C. N. Gorham, American; W. H. Lininger, Springfield; W. K. Maxwell, Hanover.

Fred J. Sauter, who is chairman of the National Theft Bureau, gave a report on the work of that organization in recovering stolen cars.

A General Motors film, "The Tale of a Wayside Car," which had been loaned for the occasion, was exhibited and several outsiders were invited in to see it.

### Aircraft Damage Cover Sells Easily

Now that aviation insurance of various kinds has been offered agents by a number of companies, it behooves the agents to "get in on the ground floor." A good line with which to begin is aircraft damage insurance, which protects property owners against damage from falling aircraft. Holders of mortgages on property are as a class excellent prospects for the coverage. The cost of the coverage is small—\$0.10 per \$100 per year, with \$5 minimum premium—but its value to mortgage holders is high. There is nothing difficult about writing any of the aviation lines, which are written on application, and aircraft damage insurance is one of the least difficult of all the kinds available.



## E. D. LAWSON SPEAKS ON AVIATION INSURANCE

Tells What Agents Need to  
Know in Order to Write That  
Form of Coverage

### ON WISCONSIN PROGRAM

Chicago Marine Man Gives Rates on  
Number of Policies Issued on  
Aircraft

Edward D. Lawson of Chicago, western manager of William H. McGee & Co., New York marine underwriters, addressed the meeting of the Wisconsin Association of Insurance Agents at Oshkosh last week on aviation insurance, in which his firm specializes. In opening he said it is not necessary that an agent know "air patois" in order to be able to write aviation insurance, just as it is not necessary that the agent know the language of the waterside and the sea in order to write marine insurance. He continued:

"Since the close of the World War, underwriters have been watching closely the situation with regard to aviation insurance, and while in that time commercial aviation has gone forward slowly but surely, the sudden epidemic of trans-Atlantic and non-stop flights has caused the American public to become air minded. With the entrance of non-pilot business men and investors into this industry, the demand for aviation insurance has increased far beyond the limited market of supply. These men have learned the value of adequate protection of their investments in other industries and demand that their funds invested in the aircraft industry receive the same protection. It is only natural, therefore, that we as marine underwriters undertake the writing of this class, as aircraft insurance is essentially marine insurance.

#### Writing Easy for Agent

"There is nothing difficult about handling an aircraft risk. The various coverages may be briefly outlined as follows:

"Perils of the air, 'crash' insurance, protects the aircraft owner against loss or damage to his craft, its engine and its instruments. Damage, however, must be external, and does not include mechanical breakage and breakdown, nor fire or lightning damage. The policy covers a plane only during flight or attempts at flight. The rates run from 10 to 15 percent, with a 10 percent deductible.

"Fire, lightning and transportation protects against loss by fire, lightning, internal fire caused by explosion of gasoline, and may be made quite elastic in its provisions to cover loss of similar nature either while in flight or not. The rates run from 3½ to 5 percent.

"Tornado, cyclone and windstorm covers such losses except loss and damage during flight or attempted flight during a tornado, cyclone or windstorm. It does not cover fire caused by these unless fire is caused by collapse of hangar during windstorm. The rates run from ½ to 1 percent.

"Theft, robbery and pilferage coverage is quite elastic but usually protects against all losses to plane, motor and instruments over the value of \$25. It does not cover theft by one's employees. The rates run from ¼ to 1 percent.

"Public liability protects an aircraft owner against the legal liability for damages for personal injury to the public directly caused by the ownership, maintenance or use of aircraft. The

## AVIATION INSURANCE AND THE AGENT

### Coverages—Accidental Damage

IN many of its branches, aviation insurance is quite similar to automobile insurance, but there is one classification which is quite different to its automobile counterpart. This coverage is accidental damage, or, as it is termed in connection with automobile, collision insurance. In the accidental damage section of the aviation insurance policy, all of the hazards of aviation are summed up and the maximum of underwriting care is needed. It is here that the quality of operations is reflected and here the losses can most readily mount. Merely casual reference to the daily list of aviation accidents will prove this, for there are but few casualties or serious injuries in any one day, yet there are numerous crashes daily which put to test the collision hazard of flying.

#### Issue Deductible Only

The accidental damage coverage covers loss or damage to the aircraft itself, including engines and instruments, by accidents of an external and visible nature, arising during flight or any attempt at flight and resulting from engine breakdown. With planes in operation that are valued at up to \$75,000, this can become an important item. Many a take-off has resulted in a spill and many a landing is prevented by striking some tree, fence or wire. The resulting damage may be minute, but it may also be very large. As severe damage may come from these minor accidents, in which no personal injuries are involved, this coverage may be seen as one of the most prolific sources of losses.

Accidental damage policies are not issued for full coverage. All policies for this protection carry a deductible clause. The amount deducted as first loss for each accident may vary from 5 to 20 percent, but the usual amount is 10 percent. Seldom is it made as low as 5 percent except in the case of the higher priced craft. Then the rate is proportionately increased, so that it is to the advantage of the operator to use the higher limits. The percentage used depends largely on the repair facilities of the operator. If he can easily care for his own repairs, he can carry a much greater deductible clause. By using these deductible clauses, the companies are relieved of the petty claims, which go to make up the bulk of the loss total, yet which are not important from the standpoint of aviation development.

#### Exact Data Needed

The agent can be of aid in writing this coverage, for exact and reliable information is basic. In giving the needed information, the agent should get the essential details. Flying territory must be given by exact lines and not approximate "vicinities." As flying con-

ditions vary widely in various sections this is important. It is also important to state the exact purpose to which the plane is to be put. "Commercial flying," "business," "advertising," and like designations are not sufficient. Each risk is rated on its own merits and thus the precise use of the plane should be given.

There is also provision for allocation of coverage limits to certain parts of the plane, as some operators prefer to insure certain of these parts more carefully than others. This information should be carefully listed by the agent. It also guides the rate. In the matter of night flying, it is not sufficient to say that night flights are made, but the exact hours must be given and the facilities for night flying, such as lighted airways and airdromes. As for airdrome conditions, the agent should send in a map, showing all trees, fences and other items which might become landing or take-off obstacles, as well as the buildings on the grounds.

premium for 5/10,000 limits runs about \$85, with an additional premium if plane is used for instruction.

"Property damage protects against the legal liability for loss caused to the property of others by aircraft. It does not protect against loss or damage caused to property owned by or in the custody of the insured. The premium for limit of \$1,000 runs from \$60 to \$85.

"Compensation and employers' liability is not regarded as special aircraft insurance.

"Personal accident insurance protects against injuries accidentally received while riding in aircraft. The rates run about \$.75 per \$1,000 per 24 hours or less.

"Cargo insurance protects against loss of merchandise carried in aircraft. Policies are written for single flights and also for many flights over a period of time, usually one year. Rates are on a mileage basis.

"Damage to ground property, excluding fire, protects the insured against damage to property caused by aircraft

falling upon property. Does not protect against fire caused by aircraft. Rates run about \$.05 per \$100 for three years.

#### Example Is Cited

As an example of the importance of knowing all details of the flights proposed, some newspaper pictures were not long ago being carried by air to New York. With the usual news competition, the papers had ordered the pictures at any cost and the pilots had been told that, should any difficulty or delay be encountered, they should let the plane go, drop in their parachutes and send the pictures on via the quickest land transportation. That exposed those planes to a severe hazard, yet simple application for accidental damage protection for a plane carrying pictures to New York might have sounded fully insurable.

#### Two Types Issued

Rates for accidental damage vary from 10 percent to 17½ percent. Much lower rates are offered for those desiring a restricted form known as constructive total loss coverage, this being granted at from 5 to 10 percent—and without a deductible clause. Under this provision, the policy pays the value of the aircraft at the time of the accident, less the salvage value, provided the cost of repairs exceeds 85 percent of the estimated value of the craft at the time of insuring.

This coverage is not as far-reaching and vital as liability, but it is vastly important for insuring the invested capital of the operator. As with fire and theft, his investment may be wiped out by a crash or series of crashes. This protection, while expensive, indeed the most expensive of all aircraft coverages, is thus important.

(This is the sixth of a series of articles on aviation insurance, from the standpoint of the agent and broker.)

"Delivery flight blanket policies protect against damage or loss of aircraft while being delivered by air from one point to another. They are usually written for aircraft manufacturers delivering aircraft to customers. Rates are determined by price and type of craft, and number of miles flown.

"Airport liability insurance is the same as aircraft insurance except applying to airports instead of aircraft. Risks are all rated individually.

"Airmen liability is the same as aircraft liability except applying to a particular aircraft show, circus or flying exhibition. Risks are rated individually.

"Fleet policies are written on fleets of two or more airplanes to cover any one or all types of aircraft insurance. Rates are individual less a discount of approximately 10 percent.

"Other types of policies not covered above are written especially to cover

(CONTINUED ON PAGE 50)

## ALVIN J. FOX HEADS WISCONSIN AGENTS

Former Executive Committee  
Chairman Is Elected  
President

### MEETING WELL ATTENDED

Members From All Over State Go to  
Oshkosh for Annual Con-  
vention

#### OFFICERS ELECTED

President—Alvin J. Fox, Oshkosh.  
Vice-Presidents—E. H. Palmer, Antigo;  
J. A. Brooks, Chippewa Falls; J. S. Rowlands, Racine.  
Secretary-Treasurer—Joseph G. Grundle, Milwaukee, reelected.  
Chairman Executive Committee—Fred J. Lewis, Milwaukee.

#### BY ALBERT BARR

Good attendance and close attention to the proceedings marked the annual convention of the Wisconsin Association of Insurance Agents at Oshkosh Thursday and Friday last week. Important to the members of the Wisconsin body and the National association was the change made in the wording of Section 1 of Article 3 of the state association's constitution that puts the state body in line with the national body on co-extensive membership.

In his report as chairman of the legislative committee L. C. Hilgemann of Milwaukee said that compulsory automobile liability insurance for Wisconsin is an issue the agents and the companies may soon have to fight. Mr. Hilgemann urged the agents to make more contacts with and keep closer to their legislative representatives in order that the fight against baneful legislation may be conducted with a better chance of success. Following Mr. Hilgemann's report it was stated in the meeting that not only compulsory liability coverage for motorists is in prospect in the state, but also a state fund for carrying the coverage.

#### Three Set Speeches Heard

Three set speeches were heard at the first day's session, the speakers being Walter T. Greene of Milwaukee, retiring president of the association; R. P. Barbour, United States manager of the Northern of England, and Edward D. Lawson of Chicago, western manager of William H. McGee & Co., marine underwriters.

Mr. Barbour's address was a clever and meaty contribution entitled "Wheels," in which the companies were represented as the hub of the insurance wheel, the various kinds of coverage the spokes of the wheel, the many organizations of company men and agents in the business the rim that holds the spokes together, and the local agencies the tire on the rim—the contact-maker between companies and assureds. Mr. Barbour extended his symbol until it represented an automobile and continued:

"The driver needs to use a bit of care in steering his car along the roads. If he does not take pains to avoid the stones of contention, the bumps of dissatisfaction, and the holes where moral hazard lies, he may not only injure the tire but also rim and spokes and hub and even spill all the grease from the axle. May I be bold enough to suggest that secret commission arrangements and under the counter agreements make a very bad detour. Wheels out of alignment do not run sweetly on the road of service.

"There is something to be said on  
(CONTINUED ON PAGE 55)

# now comes Richardson



## with Both in One!

The Richardson Combined Policy Jacket and Insurance Record is the biggest bargain in advertising ever offered. For a few cents you can give your client not only a policy wallet and valuable insurance information, but in addition a complete Record of his Policies—expiration book and a policy wallet—both in one!

13¢

A policy wallet and an expiration record for 13c—a safe place for your client's policies—certainty that the insurance record is going to be kept—that is what the Richardson Jacket provides. Most insurance records, even if kept by the client, are of little use to the agent. With the Richardson Jacket you keep the record up to date and retain a copy of the insurance record on a form provided by Richardson for this purpose.

## How Would You Like To—

secure a list of your client's expirations—point out the need of additional coverages—provide a plan for your client's policies—give him information on what to do when loss occurs—impress your client with your agency service—

all for the trifling sum of 13c

A space is allowed on the front of the jacket for your policy sticker. If, however, you wish us to imprint the jackets add \$1.50 on orders of from 50 to 250. On orders of 300 or more imprint free of cost.

Descriptive circular sent on request

## The Richardson combined Policy Jacket/ and Insurance Record!

An order blank you'll NEVER regret using.

P. Bacon Richardson Company, Date.....  
149 Broadway, New York, N. Y.  
You may enter our order for ..... Richardson  
Combined Policy Jacket and Insurance Record  
at 13c each (minimum order 25). We  
enclose our check for ..... in payment  
of same.

It is understood that we will receive a  
like quantity of duplicate record expira-  
tion sheets—free of charge.

Name .....  
Address .....  
City..... State.....



## VOTE UNANIMOUSLY TO UPHOLD DECLARATION

New Hampshire Association Backs  
National Organization's Stand  
Against Companies

## ELECT TRASK PRESIDENT

Commissioner Sullivan Pays High Trib-  
ute to Monk—Remains Firm  
on Rate Question

### OFFICERS ELECTED

President, George F. T. Trask, Keene.  
Vice-Presidents, F. E. Richardson,  
Dover; Alexis F. Blisson, Manchester,  
and A. B. Gile, Hanover.  
Secretary-Treasurer, J. Frank De-  
meritt, Exeter.

Executive Committee, Charles W. Var-  
ney, Rochester; Percy M. Ayer, Ply-  
mouth; George M. Duncan, East Jaffrey;  
Eugene W. Leach, Franklin, and Von J.  
McPherson, Claremont.

MANCHESTER, N. H., Oct. 17.—  
Unanimously, the New Hampshire As-  
sociation of Insurance Agents at its  
annual meeting at Manchester voted to  
uphold the National association prin-  
ciples as exemplified in the Milwaukee  
declaration and not to represent com-  
panies which "continuously and con-  
sistently" are opposed to the fundamen-  
tals of the American agency system.  
This means specifically resignation of  
association members from representation  
of the Firemen's, Girard, Northwestern  
National and National Union.

The executive committee of the New  
Hampshire association, at a meeting  
held just previously to the annual meet-  
ing of the entire membership, voted to  
adopt and put into effect the resolutions  
which had been recommended for adop-  
tion by the New England Advisory  
Board late last week. Such action of  
the executive committee binds the asso-  
ciation, but to get a more definite assur-  
ance of support the action of the execu-  
tive committee was put up to the mem-  
bers in annual meeting assembled and  
the vote was unanimous to support the  
action of the executive committee.

### Won Silver Trophy

There were some 50 agents in attend-  
ance at the annual business meeting and  
125 at the banquet in the evening. Con-  
spicuous on the desk of President  
Charles W. Varney of Rochester was  
the tall silver cup, emblematical of the  
largest increase in membership in the  
National association during 1927-1928,  
which was won by the New Hampshire  
association with an increase of 111 per-  
cent in members last year.

President Varney's report reviewed  
the work of the past year and the activi-  
ties at the National association's annual  
convention.

Secretary J. Frank Demeritt of  
Exeter gave a report which showed the  
New Hampshire association in the best  
condition in its history, with a total  
membership of 212. Telegrams of cor-  
dial greetings were read from President  
R. P. DeVan of the National associa-  
tion, James W. Cook of Providence, R.  
I., regional vice-president, and President  
Frank A. Peabody of the Maine associa-  
tion.

Walter H. Bennett, secretary-counsel  
of the National association, addressed  
the convention and confined his re-  
marks to the meaning and significance  
of the Milwaukee declaration, empha-  
sizing the importance of having rules by  
which to play the game and of abiding  
by them. "The time has come," said  
Mr. Bennett, "when the agents are be-  
ing called upon to demonstrate whether  
they intended to abide by the principles

of the organization to which they be-  
long." Only such are desired in the  
organization. The agents are not asked  
to resign the representation of any com-  
pany, they were merely being required  
to abide by the rules and principles of  
the organization to which they belong,  
he said.

President Fred R. Smith of the Mas-  
sachusetts association was introduced  
and spoke briefly, as did Edwin J. Cole  
of Fall River, former regional vice-  
president for New England.

The banquet in the evening was  
marked by the presentation of handsome  
silver bowls to Charles W. Varney, re-  
tiring president, and to the secretary-  
treasurer, J. Frank Demeritt. President-  
elect Trask made the presentations.

Commissioner John E. Sullivan was  
the first evening speaker and he took  
occasion to pay a high tribute to former  
Commissioner Monk of Massachusetts.  
He discussed the "Duties of an Insur-  
ance Commissioner," and at the outset  
expressed his disapproval of the Ameri-  
can Bar Association code which he said  
was more deadly than existing condi-



CHARLES W. VARNEY  
Retiring President New Hampshire  
Association

tions. It eliminated the resident agent  
law and the discretionary power of a  
commissioner, and he saw no merit in  
any such code. The commissioner de-  
clared he felt the same about automo-  
bile rates in New Hampshire as he did  
last March when he issued his ukase  
against the companies, but that he was  
nevertheless always ready to cooperate  
with the companies in reaching a fair  
solution. He said he considered Com-  
missioner Monk a peer among the in-  
surance commissioners of the country  
and no one felt more deeply or more  
deprecatory over the conditions in  
Massachusetts than himself. He felt  
that the governor of Massachusetts had  
erred, as well as those other political  
officers who participated in the event  
which resulted in the retirement of Com-  
missioner Monk. It was singular that  
in New Hampshire the insurance de-  
partment was seeking lower automobile  
liability rates, while in Massachusetts  
the department was seeking higher  
rates. Fair and adequate rates must be  
established everywhere or else there  
was always the menace of the state  
fund overhanging.

George L. Cady, Jr., of Manchester,  
special agent of the North British fleet  
for northern New England, gave a  
splendid address based on his observa-  
tions and his relations with agents.

Charles C. Hannah, manager of the  
eastern department of the Fireman's  
Fund in Boston, spoke on "Fire Insur-  
ance and Public Service" and Walter H.  
Bennett, secretary-counsel of the Na-  
tional association, closed with a lively  
and entertaining address in which he in-  
jected a note of optimism for the agents  
who cooperate and support the work of  
the association.



## MILLIONS AT RISK ON GRAF ZEPPELIN

Underwriters Breathe More Freely  
with Safe Arrival of  
Air Liner

### HAZARDS FULLY COVERED

Bulk of Insurance Written by German  
Pool, But Some Carried in This  
Country

NEW YORK, Oct. 17.—While New York and all America were eagerly awaiting the arrival of the huge German air liner, Graf Zeppelin, aviation insurance interests were also anxiously awaiting the safe docking of this leviathan of the air, for many millions of indemnity were at risk. The full extent of the coverage is not known, as those connected with this risk cannot give out information without authority of the owners in Germany, but it is known that the huge ship, the largest to take to the air thus far, was fully insured against all hazards to the ship, property, cargo and passengers.

#### Large Life and Accident Lines

In addition, the passengers and crew carried large lines of life and accident insurance. The final safe landing of the ship allayed many fears that ran high during the uncertainty of the flight and done much to assure insurance for future flights of similar nature. This was the first case of general insurance being written on transoceanic flights, but it is probable that the ship will have no trouble in securing insurance for its return and other ships will also profit by increased insurability. The huge English ship, nearly twice as large as this which sets out on an even longer flight next month, will go fully insured.

#### American Firm Interested

There was an American contact to the line, the Aero Engineering & Advisory Service, just organized by Horatio Barber and a part of the Barber & Baldwin fleet, being authorized to stand by in readiness to adjust any claim that might arise. Particularly in view of the damage to the ship's fin, which delayed and endangered the flight, Mr. Barber expected to have to launch his new company's first case on the most outstanding ship of the day. It was found when the ship docked at Lakehurst, however, that the damage was negligible financially and would require no adjustment service. No other coverage, personal or property, was brought into question.

In addition to the huge general line written by the German air pool, there were some minor policies written by American interests. The North America had covered a small cargo line of one of its policyholders under an open marine cover. The New York Indemnity had written an accident policy on the Hearst cameraman on board, through the world-wide coverage granted the International News Service.

#### Covering Express Shipments

Most of the business houses in every agent's community make express shipments regularly. Express companies are liable only for loss caused by the negligence of their employees, and then only for a maximum of \$50. The agent will readily see that this kind of insurance is of little value to any shipper. It should be a duty of every agent to show his business-men clients the value of express shipment insurance. This business is available in volume and is worth any agent's attention.

## PROPER LICENSING LAWS WILL ELIMINATE EVILS

SMITH SPEAKS AT OSHKOSH

National Association Executive Committee Chairman Gives Address  
on Development Work

"Proper agency licensing laws will go a long way toward correcting the evils that exist in the insurance business," said Clyde B. Smith, chairman of the National Association of Insurance Agents executive committee, in his address before the annual meeting of the Wisconsin agents' association at Oshkosh, last week. Mr. Smith has sound ideas about the qualifications an agent should have, and in his address said it is his belief that not more than 17,000 of the reputed 150,000 agents in the United States are eligible to membership in state associations and the National association.

Mr. Smith's topic was the five-year development program of the National association. He said that if the National association averages in each of the next four years a membership increase of the same proportions as that made in the first year of the program's operation, the National association shall have about reached the limit to which it can be built.

#### Local Board Is Backbone

"The backbone of the National association," he said, "is the local board, and for that reason this entire program is built around these boards." With reference to coextensive membership he said it is his belief that although membership in a local board properly is made a condition of membership in state bodies and the National association, "the time is not yet ripe for compelling every member of a local board to become a member of the state and National associations."

Although Mr. Smith had prepared a speech for the meeting, he departed from his manuscript many times to stress some point he wished to make. One of these points is that every local agent should have a sound bookkeeping system, so that at all times he shall know whether he is making money on the business he writes, and at what times he makes more or less.

He said that every National association member should use the association's automobile certificate instead of the certificates prepared by the companies, for

(CONTINUED ON NEXT PAGE)

## CHICAGO COMPANY PLANS TO BEGIN WRITING JAN. 1

STOCK OFFERED TO PUBLIC

Board of Directors Is Enlarged and  
Headquarters Are Established  
In Bankers Building

January 1, 1929, is the date on which writing in the Fire Insurance Company of Chicago is scheduled to start, according to present plans of officers of the new company. The carrier has been in process of organization since last March. Proposed capital is \$2,000,000 and surplus \$3,000,000.

At a recent meeting the board of directors of the company was increased from 15 to 25. The board includes some of Chicago's leaders in financial and industrial circles. Darby A. Day, Chicago manager of the Union Central Life, who has been a director and one of the organization leaders of the company from the first, has placed himself and his large organization at the disposal of the new company in its present plan to dispose of the unsold portion of the company's stock. In order that he and his men may give full time and close attention to this work, executive offices of the company have been established in the Bankers building, in offices adjoining Mr. Day's.

To insure wide distribution of the fire company's stock, which hitherto has been issued only to those accepting the organizers' invitation to subscribe, the company will be the largest fire company in Chicago. It is one of the first to be organized in that city in years.

H. W. Letton, United States manager of the Netherlands and vice-president and general manager of the Great Lakes, is president of the new company. Among the new directors just announced are Vail R. Bucklin, vice-president and chairman of the board of the Stewart Warner Speedometer Corporation; William B. Johnson, a director of the Palmolive-Peet Soap Company; W. H. Croft, vice-president Magnus Company; Charles E. Gambill, president Gambill Motor Company; Herman H. Hettler, president Hettler Lumber Company; Samuel M. Hastings, chairman finance committee and a director Dayton Computing Scale Company; William M. Ryan, president Ryan Motor Company; Charles A. Pipenhagen, secretary-treasurer Pines Winterfront Company; Clement Studebaker, Jr., president North American Light & Power Company and other utilities, and Oscar Spindler, vice-president and a director of Borg & Rock.

## EIGHT MILLIONS IS TOLL OF THE STORM

Estimates Give Figure Companies  
Will Have to Pay in  
Florida

### WEST PALM BEACH HIT

Men on the Ground Are Speculating  
on the Proper Underwriting  
Policy to Follow

WEST PALM BEACH, FLA., Oct. 17.—The best estimates name \$8,000,000 as the approximate amount interested fire companies will pay as the result of the hurricane that swept a section of this state on Sept. 16. In addition to the 20 representatives the Southern Adjustment Bureau has on the ground, the Home, National Union, Crum & Forster, America Fore, National Liberty, Niagara, Great American, Liverpool & London & Globe, Hartford, Aetna and the North America groups have their own adjusting staffs and are working from 10 to 12 hours a day in an effort to satisfactorily dispose of their losses.

#### Property Titles

Property titles are being passed upon for all companies by a local abstract company; a procedure that was adopted at Miami two years ago and which proved very satisfactory.

Claims are being filed with the special service established by the National Board, greatly facilitating the work of the adjusters. While property along the Atlantic coast as far north as Stuart was damaged, the greatest destruction was in this city. The community suffered a blow from which it is not likely to recover for a considerable time.

Practically every building of importance in the city is damaged to a greater or lesser degree, indicating faulty construction in many of the properties erected during the boom period. Notably does this apply to the foundation structures. The great amount of debris creates a potential fire hazard that underwriters are fearful of.

#### West Palm Beach Hard Hit

The municipality is reported to have cancelled \$200,000 of fire insurance formerly carried on public buildings largely destroyed by the hurricane and upon which no windstorm coverage was had. West Palm Beach is understood to be bonded to the limit just now and will have difficulty in raising money for sorely needed improvements. Its fire department consists of one motor driven truck and three pumps, manned by 35 fully paid members. It has no alarm system and depends upon the telephone service for fire warnings.

#### Talk of Underwriting Policy

While insurance men on the ground are centering their activity on the settlement of losses, leaving to home office executives the determination of their companies' future underwriting policy in Florida, they are yet speculating somewhat as to what should be done to minimize hazards. In the minds of some, the company should decline to grant windstorm coverage upon any property insured against fire for less than \$10,000 and should further insist upon a \$100 deductible clause instead of the \$25 now in use.

In round figures 4,500 claims have already been listed with the central loss bureau, and it is estimated at least six weeks will elapse before all claims are disposed of.

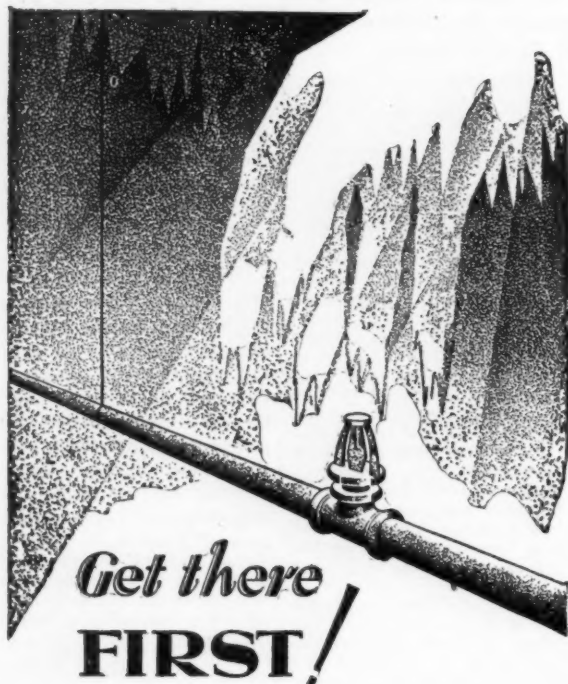
## LEADERS OF WISCONSIN AGENCY FORCES



ALVIN J. FOX, Oshkosh  
New President Wisconsin Association



WALTER T. GREENE, Milwaukee  
Retiring President of Wisconsin Agents



**EVERY** hour the icy hand of winter draws nearer. Some stark, cold night, not so far distant, it will close in—surely—relentlessly—.

A certain number of automatic sprinkler systems will freeze, crack, and prematurely release the flood of water meant for safety.

Agents of this Company are making a drive now to cover all sprinklered risks in their territories by Sprinkler Leakage Insurance and are forestalling accidents, wherever possible, by preaching closed windows and other necessary precautions.

When the icy clutch of winter descends, if it should succeed in damaging sprinkler equipments, no clients of our agents should suffer a loss, as our agent will have been there first with the never failing protection of a Sprinkler Leakage Policy — IN

**STAR**  
Insurance Co.  
**OF AMERICA**

Executive Offices: 1 Pershing Square  
Park Ave. at 42nd St., New York, N. Y.

Pacific Coast Dept., San Francisco

1 COMPANY WITH THE L. & L. & G. SERVICE

## WALTER T. GREENE ASKS GREATER COOPERATION

### IT WILL GIVE AGENTS PROFIT

Retiring President of Wisconsin Association Says Body Failed in Membership Drive

"We should spend our efforts in so enlightening the public insurance-wise that our business will secure its larger proportion of the wage dollar to which it is entitled, to the ultimate benefit and better protection of the public," Walter T. Greene of Milwaukee said in his address as retiring president of the Wisconsin Association of Insurance Agents at the annual meeting of the body last week at Oshkosh, Wis. Mr. Greene told the agents that in this day of trade associations the sellers of insurance need to give more time and more thought to the matter of "so adjusting our service and methods that we may be in a position to give the public 100 cents worth of service and protection for every dollar expended with us."

The speaker told how state associations and the National association fight the agents' battles, and said that the non-member receives much of the benefit of association work without paying his share of the cost either in money or cooperation. He enumerated some of the principles formulated by the associations for the benefit of the agent, and continued:

#### Principles Eminently Fair

"I feel that no one disputes the fairness of these principles, and the only incentive for not abiding by and joining in our effort to have the same prevail is the hope of temporary individual gain by some misguided agents and companies that are willing to hazard their best permanent interests for this hoped-for temporary gain. The mere statement that association members are entrusted with the responsibility of writing in cooperating companies the vast majority of the protection of the country should be proof conclusive of the error of the way of non-member agents and non-cooperating companies."

"Your association and the National association have recently gone further to promote the interests of the individual member. They have developed better business methods for agencies. They have introduced the standard automobile certificate. They have promoted collective advertising. They have advocated the general use of an association emblem. They supply you with your trade journal, the 'American Agency Bulletin.' They, through their public relations committee, are making great strides in their efforts to establish insurance courses in the universities and colleges, that the agent of the future will be in a position to carry on faithfully and effectually."

#### Membership Drive Goes Over

"Your associations, state and National, now feel that to promote to the limit the best influences of our work it is necessary to grow in membership continually and extend our influence. Last year the National association started what is known as the five year development plan. I am happy to say that the first year's work has gone far 'over the top.'"

"When I say this, I speak with reservations, for I must admit that this result was obtained by the National association, not with the aid of our own Wisconsin association, but in spite of our association. Your officers, assisted by representatives of the National association, made an effort to keep the Wisconsin association in its proper place numerically among the state units, but were unsuccessful."

"We had our trouble, but this should be no excuse, for I feel that were the benefits of our association and its work

properly put up to the individual agents throughout the state they would not only join the association for the ultimate personal good they would derive, but would become enthusiastic workers to the end that insurance might retain the high place in the financial structure of the country to which it is properly entitled."

"To secure these results requires the best energies of all. Your officers alone cannot do the job. It will take the individual efforts of each and every member, and I am going to ask that each of you assume the responsibilities in your particular locality of placing the facts properly before your home insurance fraternity. Organize your local board or club and affiliate with the state and National associations. I do not mean merely to get your co-workers to join your local board and state and National association by signing on the dotted line and sending in their dues, but to sell to them the idea of association benefits. One enthusiastic association worker is of more value than any number of dues-paying but lukewarm and non-cooperating members."

## PROPER LICENSING LAW WILL ELIMINATE EVILS

(CONT'D FROM PRECEDING PAGE)

the reason that although an agent may change companies he is not therefore going out of business, and from this it follows that it is better for him to have sold himself and "trademarked insurance" instead of a company or group of companies. He also urged use of the National association sticker on letters, other literature, and policies.

The "American Agency Bulletin" is the National association's house organ. Mr. Smith advised every agent to read it. In addition he said, "It is not intended to replace any of the other insurance journals. Rather it fills a niche of its own. Furthermore, you can ill afford not to read carefully those others to which you subscribe. Only in this way can you keep abreast of these rapidly changing times."

#### Cooperation Will Win

In conclusion Mr. Smith said: "Knowing that the interests of the agents throughout the country are identical, it is difficult to understand why every member does not lend his moral support to those needing it. I use the word lend advisedly, for it may be only a question of time when the lender will be in a position where he will ask that the loan be repaid. Those expecting cooperation certainly should be willing to cooperate. I never have nor ever will represent any company that does not play fair with all the agents. There are too many companies willing to give us their support and there can be no question but that we owe them the same unqualified support in return. By the same token, we owe nothing to the few companies that are either directly or indirectly doing so much to tear down the American agency system."

"We do not even attempt to tell any member what companies he shall or shall not represent, but we do say to the world that we have the right to qualify our membership."

#### Wyoming Ruling Withdrawn

The ruling of the insurance commissioner of Wyoming requiring all fire companies licensed in that state to deposit \$25,000 in securities or bonds to comply with Section 91 of the Wyoming law has now been withdrawn by Commissioner Lyle E. Jay of that state. When the ruling was originally issued the National Board advised its members suggesting that they withhold compliance with the demand for a deposit or bond pending further advices.

The Worcester Manufacturers Mutual of Worcester, Mass., a member of the Associated Factory Mutual Fire Insurance Companies, the Rochester American of New York and the Empire State of Watertown, N. Y., have been licensed in Connecticut.



avored  
by  
Many Property  
Owners  
because  
of its  
**GOOD NAME**



T. L. FARQUHAR  
*PRESIDENT*

*Western Department*

ELWIN W. LAW  
*Gen'l Mgr.*

C H I C A G O

**NEWARK**  
**FIRE INSURANCE CO.**

**NEWARK - NEW JERSEY**

# Indispensable!

Alert and progressive agents, who have acquired their knowledge of the business by years of experience, have kept pace with the growth of casualty insurance and have helped to promote it. The newly appointed and younger agents are entering upon a business which has become highly specialized and intricate. Their task is more difficult than that which confronted their forebears when the casualty business was in its beginnings. To meet this task, application and study are indispensable.—From The Bulletin of the United States Fidelity & Guaranty Company.

The National Underwriter Company,  
420 E. Fourth Street,  
Cincinnati, Ohio.

Gentlemen:

I recognize that application and study are indispensable if I am to become a master in my chosen field of work. I want to know more about your Sales Training Course in Casualty & Bond Underwriting. Send me, please, your 32 page booklet, "Income-Building-Knowledge" telling about this course. It is understood that sending for this booklet involves no obligation on my part.

Name .....

Company .....

Street .....

City ..... State.....

## COMPANIES RAPIDLY TAKING TO AVIATION

Answers to National Underwriter Query Show Startling Development

### EXPANSION IS PROMISED

Many Plan Adoption in Near Future and Scores Have It Under Consideration

NEW YORK, Oct. 17.—Aviation insurance is sweeping into general acceptance more rapidly than even the most optimistic might have anticipated, and returns received by THE NATIONAL UNDERWRITER, in answer to a questionnaire to all companies operating in this country, show that many score now have the question under advisement and may enter the field in a very few months. Three underwriting offices, several company offices and a few company fleets are now in the field and not a few companies are even now concluding arrangements under which full coverage aviation insurance will be available.

A new pool is in fact now in process of formation, but its launching may wait until spring. There are two reasons for this possible delay. One is the idea that winter is not a good time to start due to adverse weather conditions, and the other is hesitancy due to the tremendous growth of competition.

#### Growth Is Startling

Some of the replies of a confidential nature, not giving the actual plans of the companies, show even more the extent to which the fire and casualty companies are entering this new field, or rather this revived field. There are several companies which formerly wrote aviation coverage but have since withdrawn and some have recently revived their old underwriting plans in this regard. One of the ranking fleets of fire companies replies that "it has no plans for writing this coverage which can be discussed at the present time." One of the leading casualty companies intimates that it may prove to its advantage to undertake this new line. A new company to write aviation only has been organized. Several voice no enthusiasm about the coverage, but state that they may have to write it. One official says that he has no present plans, but "may have to arrange for this in the near future." Another says, "I suppose we will have to offer some form of coverage." The business has apparently encountered a strong demand and the demand is being readily supplied by the fire and casualty companies.

#### Enters New Phase

In reviewing the past experience and looking into the future, there is a varied opinion. Those who entered this field back in 1917 and the early post-war years were badly "burned" and the losses at that time drove most of them from the field. One company, which was one of the few pioneers which remained, though somewhat dormant, has now added fire coverage through the fire running mate, the fleet being aggressively in the field for full coverage aviation insurance. Aviation has entered upon a new phase now, of course, and even those who looked askance at the insurability of the class in post-war days are now favorable to this extension of underwriting. Both the fire and casualty lines have seemed to come into a new state and appear wholly insurable today. Even this is a matter to be viewed with caution, of course, as one

of the leading writers of full coverage aircraft insurance states that its experience has not been satisfactory. And this covers business that represents the best available. Great care is essential in the selection of risks and thus aircraft underwriting is a science of its own.

#### Optimistic on Future

As a matter of fact, this is an item which has caused much hesitancy in the extension of the business. With the addition of the competitive force, always a dangerous factor in underwriting, the experience may take a turn for the worse. As the companies enter the field, especially in the cases where no special aviation underwriting facilities are available either in their own ranks or in some special office, they may undermine the tight underwriting that has been in vogue in recent years. Also, the addition of numerous facilities will lessen the spread of any one company or group, even though the business rapidly expand. On the whole, however, there is much optimism as to the future of this coverage and the extent to which the American public is now taking to the air indicates that it will be a large field which should very quickly demonstrate its insurability.

Of great interest to those who encounter aviation risks either for placing or underwriting, the individual company replies in the cases where some form of coverage is granted or now under consideration are given as follows:

#### FIRE COMPANIES

**Aero Insurance Company.**—With running mate, Aero Indemnity, has been organized to write full coverage aviation insurance only. The group behind this organization has heavily financed it, so that it will be launched in a big way and go aggressively after business. The company is ready for business, and final papers of incorporation have been prepared. No public sale of stock was made.

**Aetna Fire.**—Does not write aviation insurance yet, but probably will write all classes soon.

**Agricultural.**—Has never written aircraft, but very shortly contemplates putting out a policy covering damage airplanes might do to the property of others, not covering the machines themselves.

**American Eagle.**—Has never written aviation insurance other than damage to buildings due to falling aircraft, though it may enter this field in the future.

**Bankers & Shippers.**—Interested in the operations of the United States Aviation Group through membership of its associate, the Pacific Fire.

**Barber & Baldwin.**—Aviation underwriting office, the pioneer in the field. Beginning in 1922, it devotes its entire time to underwriting aviation risks, full coverage. It especially places policies for the Independence fire and casualty companies and the United States Life, but also uses other companies to complete large lines.

**Boston.**—Has never written the coverage under any form, but is considering the question of writing property damage.

**Camden.**—At present writes only aircraft property damage. Has not yet joined or contemplated joining any pool for writing aircraft business, though that may be done.

**Columbia.**—Covers only damage to property by the crashing of a plane.


**Commerce.**—Is planning to take up aviation insurance and expects to be actually writing the business in three months.

**Continental.**—Has never written aviation insurance other than damage to

(CONTINUED ON PAGE 22)



*The*  
**White Fireman**  
will show you  
how to help



**FIRE  
PREVENTION  
WEEK  
Oct. 7-13**

**Insurance Company of  
North America**  
PHILADELPHIA  
and  
**Indemnity Ins. Co. of  
North America**  
write practically every form of insurance except life  
The Oldest American Fire and Marine Insurance Company—Founded 1793

Property Owners may Secure Loss-prevention Service through Responsible Insurance Agents

EVERY property owner may help to reduce America's staggering fire waste by acquainting himself with the White Fireman's work.

The White Fireman personifies various underwriters' organizations throughout the country, supported by insurance companies, which are working unceasingly to prevent fire. One of his functions is to inspect properties and tell the owners how to make them safer. Frequently his recommendations result in lower insurance rates.

Your insurance agent can tell you how to secure the aid of the White Fireman.

THE White Fireman symbolizes the Loss-Prevention Service supported by insurance companies. This service includes: Consultation on proposed structures, that they may be as fire-safe as possible. Inspection of property, with recommendations for the reduction of fire-hazards. Maintenance of the Underwriters' Laboratories for the testing of building materials, the practical trial of fire extinguishers and other protective equipment, the examination of electrical apparatus and materials. Various other kinds of technical assistance for the furtherance of property conservation. The North America Agent will tell you how to secure this valuable service.

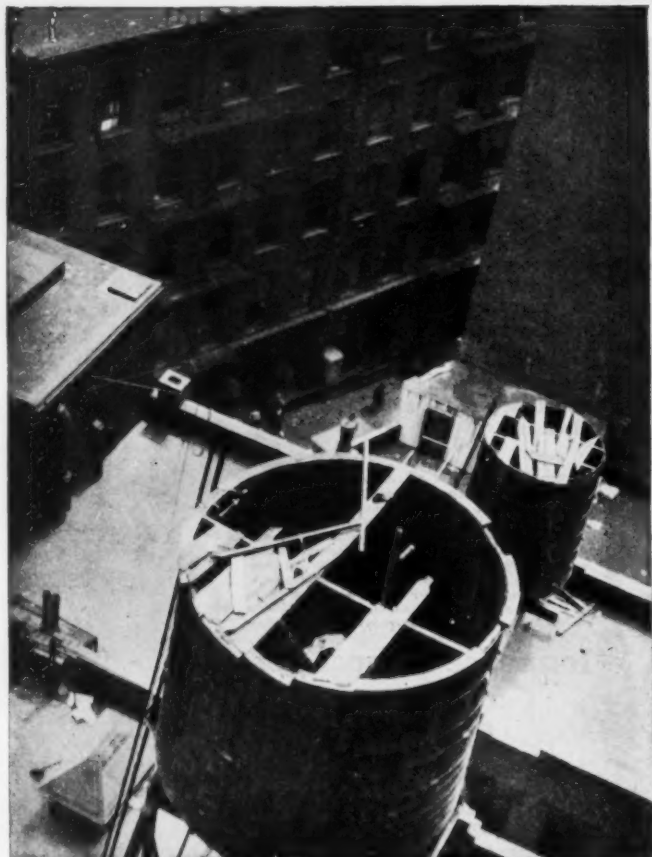
**Insurance Company of  
North America**  
PHILADELPHIA  
and  
**Indemnity Ins. Co. of  
North America**

write practically every form of insurance except life  
The Oldest American Fire and Marine Insurance Company—Founded 1793

*The advertisement reproduced above appears in the October 6th issue of  
The Saturday Evening Post.*

To the public, Fire Prevention Week comes but once a year. To the various loss-prevention engineering organizations supported by insurance companies, Fire Prevention Week is every week throughout the year. These organizations, represented by The White Fireman in the national advertising of the Insurance Company of North America, are working every hour in every section of the United States to one purpose—the reduction or elimination of hazards which might cause loss to property owners.

The public's first real knowledge of this constructive work on the part of insurance companies is coming to them through the North America advertising. This advertising, therefore, is creating the finest kind of good-will for the insurance fraternity generally, and for North America representatives particularly.



## Realistic photographs compel attention to Alliance National Advertising



**THE ALLIANCE  
INSURANCE COMPANY**  
of PHILADELPHIA

Head Office  
1600 Arch Street, Phila., Pa.  
209 W. Jackson Blvd., Chicago, Ill.  
231 Sansome Street, San Francisco, Cal.  
8th fl. Hurt Bldg., Atlanta, Ga.

### FIREMEN'S GROUP HIKES COMMISSIONS IN EAST

Answer to Separation Drive  
Launched by Companies  
in E. U. A.

### LETTER SENT TO AGENTS

Offers to Take Care of All Business  
If Other Companies Withdraw  
From Agency

NEW YORK, Oct. 17.—The position of the Firemen's of Newark group of companies in connection with the separation movement now being actively pushed by the Eastern Underwriters Association is thus set forth by President Neal Bassett in a circular letter to agents of the fleet throughout eastern territory under date of Oct. 15:

"Upon the formation of the Eastern Underwriters Association on Oct. 14, 1926, this company became a member thereof. At that time it sincerely believed it was for the best interests of all concerned that it should take such membership and assume the obligations necessarily connected with membership. Believing this, it did not hesitate to make the sacrifices incident thereto, nor did it ever waver in its loyal performance of the obligations it agreed to assume when it took membership.

#### Impossible to Correct Evils

"As you have no doubt learned through the columns of the insurance press, this company retired from membership in the Eastern Underwriters Association on Aug. 24, 1928. It developed that however sincere were the motives that actuated the formation of the organization, for causes which we cannot attempt to explain or even understand, it seemed impossible to bring about the correction of evils that were patent to all and which were present in the minds of all when the organization was formed.

#### Freed from All Allegiance

"At no time previous to our membership in the Eastern Underwriters Association had this company been a member of any similar organization in eastern territory, and therefore upon its resignation from that body it found itself back in the position of owing allegiance within eastern territory to no such trade organization. Despite this fact it did feel it ethical not to pay a higher commission than its former associates in the Eastern Underwriters Association were permitted to pay under their obligations, even though otherwise such action seemed wise and proper. In this connection we unqualifiedly state that we have heretofore rigidly observed this course.

#### New Commission Scale Announced

"Through what we are reliably informed is the action of the Eastern Underwriters Association in demanding of agents that they elect either to resign our agency or else resign the agency of companies members of the Eastern Underwriters Association, we now feel entirely free from what we considered to be the ethical position mentioned and therefore free to say to you that as of Oct. 1, 1928, our commissions to you will be in accordance with the scale named in the enclosed agency commission agreement, which is handed you in duplicate. We ask that you sign both copies and return them to us in the enclosed stamped and addressed envelope whereupon we will in turn sign and return one copy to you for your files.

"We are not asking you to resign the

agency of any other company now represented by you, but should you now or hereafter be confronted with the alternative of resigning our agency or else the agency of some other company or companies, we call to your attention the fact that the compensation named by us is of important moment to you and we further state to you that it is our earnest belief that we can and will take care of the entire direct business of your agency, if that be necessary or in your opinion desirable.

#### Retire If Facilities Insufficient

"It is, of course, possible there may be some few agencies where lines are so large and of such nature that we would find it impossible to give an agent the facilities required. Therefore, if you deem it desirable, upon inquiry we will in advance of any determination upon your part, and after a full conference (either at our office to which you report or through our field force) give you proper advice, and will upon your request cheerfully retire from your office if we are unable to give you the needed facilities. Permit us to repeat: that we think this event is most unlikely.

#### Cites Figures of Group

"You have a right to be advised both as to the present financial soundness and the stability of any company you represent. In connection therewith we call your attention to the fact that this company and the other companies affiliated with it showed as of Jan. 1, 1928, the following:

(Here follows a list of the group companies together with the date of the organization of each; its total assets, general liabilities, capital, net surplus and surplus to policyholders.)

"We invite your prompt and free correspondence or personal interviews and we again bespeak your most careful consideration of the matter. We also again say to you that we are not requiring or asking that you sever your connection with any other company, but are only pointing out to you the propriety and wisdom of retaining our representation, and are offering to you facilities for taking care of your entire business if needed.

"We await your early and we believe favorable response, accompanied by signed commission agreement cards.

### FULL COVERAGE THEFT CAN NOW BE WRITTEN

NEW YORK, Oct. 17.—Under a recent ruling of the Eastern Automobile Underwriters' Conference full coverage theft indemnity may now be written by the members, not only in the metropolitan district and the capital districts of New York, but in northeastern New Jersey and in Philadelphia as well. These are territories in which use of the \$50 deductible pilferage clause was previously mandatory and the buy-back privilege denied. Such assureds as now desire the complete theft coverage may now secure it upon payment of the added premium called for for the nonuse of the deductible provision.

The annual meeting of the Eastern Conference will be held Oct. 24, and will be followed immediately by the annual gathering of the Eastern Theft Bureau. R. P. Barbour, United States manager of the Northern Assurance, is now president of the Eastern Conference; Charles R. Pitcher, deputy manager of the Royal, vice-president and Charles E. Case, assistant United States manager North British & Mercantile, treasurer.

#### Inspectors Transferred

Four inspectors from the Topeka office of the Kansas Inspection Bureau, Geo. M. Danley, M. S. Hart, Dave Greenfield and H. M. Grosvenor, Jr., were transferred this week to the Indiana Inspection Bureau to assist in inspection work in that state. All of the men are expected to return to Kansas by spring.





## The Art of Selecting

If there were only one fire insurance company in the world you would have to expend no mental effort in selecting the best company to represent. But there are many companies and therefore many necessities for intelligent selection. Vital consideration enters into the matter. Financial strength of companies, age, successful operation and reputation for fulfilling contracts must of course be given earnest study.

But the agent who thoughtfully looks to his own future will not fail to appraise accurately the *service* rendered to agents by those insurance companies he studies. Every once in a while a situation will arise that puzzles even the best-informed agent. It is *then* that we step in and extend the helping hand. Our seasoned special agents are eager to help *you* write every one of the many classes of insurance that we write. And this is only one of the many helpful services we render.

It is obvious that the company which is the most valuable to its agents is the one that gives them the most practical assistance in making more money. To that end we publish *The Accelerator*. Each issue is filled with specific selling ideas, clear explanations of our various policies, window-displays, newspaper advertisements and sales-letters.

Have you seen *The Accelerator*? If not, merely write to our Advertising Department for a copy.

**BOSTON INSURANCE COMPANY  
OLD COLONY INSURANCE COMPANY  
87 KILBY STREET, BOSTON, MASSACHUSETTS**

**Specialists in the Securities of the  
FIRE INSURANCE COMPANIES  
under the management of  
CORROON & REYNOLDS, INC.**

We recommend for investment and price enhancement the stocks of this progressive group of companies at present market levels:

**American Equitable Assurance Company  
of NEW YORK**  
Capital - \$2,000,000

**Brooklyn Fire Insurance Company**  
Capital - \$1,000,000

**Bronx Fire Insurance Company  
of the CITY OF NEW YORK**  
Capital - \$1,000,000

**Knickerbocker Insurance Company  
of NEW YORK**  
Capital - \$1,000,000

**Merchants & Manufacturers Fire Insurance Company  
of NEWARK (1849)**  
Capital - \$1,000,000

**New York Fire Insurance Company (1832)**  
Capital - \$1,000,000

**Sylvania Insurance Company,  
PHILADELPHIA, PA.**  
Capital - \$1,500,000

**Republic Fire Insurance Company,  
PITTSBURGH, PA. (1871)**  
Capital - \$600,000

**BOUGHT—SOLD—QUOTED**

*Information and Circulars Upon Request*

**AMERICAN INSURANCE STOCKS CORPORATION**  
W. WALLACE LYON, President  
51 East 42d Street New York

## VERMONTERS FOLLOW — SUIT ON DECLARATION

**Endorses National Association  
Stand Against Companies De-  
clared Violating Principles**

### CONVENTION AT RUTLAND

Charles C. Hannah and F. P. Stanley  
Address Agents—A. C. Mason  
Elected President

#### OFFICERS ELECTED

President, A. C. Mason, Rutland.  
Vice-President, Thomas C. Cheney,  
Morrisville.  
Secretary-Treasurer, Miss Mary Louise  
Milo, St. Albans.  
Chairman of executive committee,  
Harry A. Wills, Bennington.

RUTLAND, VT., Oct. 17.—The Vermont Association of Insurance Agents, at its annual state convention followed in the footsteps of the New Hampshire association and adopted resolutions adjudging the Firemen's, Girard, North-western National and National Union in violation of the principles of the Milwaukee declaration and calling upon members to comply with the constitutional requirements of the association and either give up their membership in the organization or discontinue representation of the companies in question.

The meeting was attended by nearly 100 and was one of the best and most interesting gatherings of Vermont agents in recent years. George M. Clay of Brattleboro, president, presided. The executive committee met in the late forenoon and adopted the resolutions relating to the four companies, acting upon the recommendation of the New England Advisory Board.

#### Mayor Welcomes Agents

Former Mayor James C. Dunn of Rutland welcomed the delegates at the business session in the afternoon and a response was given by Thomas C. Cheney of Morrisville. President Clay read his annual report and made the important announcement that a committee of the association had been success-

ful in its efforts to have the Vermont highway commission insert in all its contracts the provision that all fidelity bonds provided by successful bidders should be purchased from Vermont agents. In past years most of this business has gone to outside brokers with the local agents merely countersigning the papers.

Harry A. Wills of Bennington gave the secretary-treasurer's report which showed the association had gained its quota in membership under the five year development plan and was in good shape financially.

#### Hannah on Program

Charles C. Hannah of Boston, manager of the eastern department of the Firemen's Fund, gave the address on "Fire Insurance and Public Service" which he delivered so effectively before the New Hampshire association.

F. P. Stanley, vice-president of the Glens Falls Indemnity, spoke on "Insurance Salesmanship." Walter H. Bennett, secretary-counsel of the National Association of Insurance Agents brought the message of the National body and covered the subject of "Why Membership in the State Association?" Charles W. Varney of Rochester, N. H., recently retired president of the New Hampshire association, repeated the paper he presented at the last National association convention on "100 Percent Increase in Membership." Commissioner Robert C. Clark and John G. Yost, assistant secretary of the Fidelity & Deposit, also spoke. John C. Caldwell, of Boston, assistant secretary of the New England Insurance Exchange, was present as a guest.

#### Golf Tournament Held

The golf tournament which was held during the early part of the day for some unusually attractive prizes offered by the companies and local interests, resulted as follows: Herman H. Kinsman of Rutland won in the first division with a net of 77. The runner up's prize was divided between S. C. Dorsey and Fred A. Field, Jr., both of Rutland, with 78 each. John G. Yost led in the second division with a net 70. Lawrence Moore of Boston was the runner up with a net 72. The low gross prize went to George D. Mead of Glens Falls, N. Y., who scored 79.

Following are the most recent entries in the Inter-Chamber Fire Waste Contest conducted by the National Fire Waste Council, under the auspices of the Chamber of Commerce of the United States: Burlington, Wis., Chestertown, Md.; Lewes, Del.; Norwich, N. Y.; Princeton, W. Va.; San Leandro, Cal.

## AWARD TROPHY CUP TO FLYER

THE "Merit Trophy" and purse for \$250 posted by Barber & Baldwin, aviation insurance underwriters, in connection with last month's national air races at Los Angeles has been awarded to Art Goebel, Dole racing flyer and record-holder for the Los Angeles-to-New York hop, which he completed last August in 19 hours.

The award has met with wide favor in aviation circles. In discussing it, President Barber said: "It is the general opinion that Mr. Goebel demonstrated more than any other pilot the feasibility of cross-country flying, at the same time exercising every precaution which experience and good flying would dictate. His flight from New York to Los Angeles in the non-stop transcontinental contest was a masterly exhibition and should be an inspiration and an example to other cross-country pilots."

Mr. Barber further stated that the selection of Mr. Goebel met with the entire approval of the donors, who regarded his performance as an outstanding example of cross-country flying.





## PAVE THE WAY FOR AMICABLE ADJUSTMENT

West Virginia Separation Injunction Suit Has Now Been Withdrawn

## HOPE FOR EARLY PARLEY

Local Agents Declare That They Can Not Live on Commission of 20 Percent

CHARLESTON, W. VA., Oct. 17.—It was with much satisfaction that the agents of West Virginia learned of the kindly way in which their last overtures made at the special meeting in Parkersburg were met by the insurance companies and the executive committee of the West Virginia Uniformity Association. The matter was finally ended by the appearance of attorneys at the state house last Thursday with an offer to withdraw the obnoxious "green" contract over which there had been discussion since last November, accompanied by the request that court proceedings be ended.

### Mallison Got Busy

Although President Kincaid could not be reached, and other officials of the West Virginia Association of Insurance Agents were not available, and even their special legal counsel was out of town, Sam Mallison, insurance commissioner, got busy and found a partner of the law firm who with some local men went to the courthouse and laid the information before Judge Hudson, who had issued the temporary injunction. The court readily consented to dismiss the case forthwith upon representations shown, and later on in the day he issued the order.

### Text of the Order

The order recites that "it appearing to the court that the matters in controversy herein have been settled to the mutual satisfaction of the parties hereto, and that the defendants have agreed in writing to withdraw the commission contract complained of, and not to submit the same again to their West Virginia local agents without first submitting the same to the insurance commissioner of West Virginia, thereupon, upon the joint motion of said plaintiff and said defendants, it is adjudged, ordered and decreed that this cause be and is hereby dismissed."

### What Is the Next Step?

Discussion has begun, of course, among the agents as to what is to come next. They hope that nothing will come up to prevent them from having a voice in the subject matter of new contracts. They are not so particular what form the matter will take. If West Virginia is to be merged into the Eastern Underwriters Association, or to remain still under the Uniformity Association, will not disturb them. What they are vitally interested in is the more important subject of making a living wage. With chain stores cutting in, oil and coal mergers coming on, they are realizing that much lucrative business is disappearing. With a better standard of underwriting they are cutting down their total bulk of premiums materially.

### Try to Save Money

As one local agent put it, "We have been saving the company money by refusing many a \$1,000 policy with its small premium to us because we have seen that too many of them burn up. We can better afford to lose the \$5 commission than to have our company lose

on a suspicious fire loss. Twenty such fire losses of \$1,000 apiece equal a good sized fire loss on one property."

But the agents are agreed that the old 20 percent flat is not sufficient for these changing times. There must be a new ratio and any contract must be based upon the kinds of risks that prevail in West Virginia, in the writing of which there is some money for the agent.

### Hope for Satisfactory Plan

It is their sincere hope that a plan may be worked out that will result in mutual satisfaction to companies and local agents. Of course the subject is discussed by radicals and conservatives and ranges from proposed legislative regulation of commissions to graded commissions. On the subject of separation the agents of West Virginia stand firm upon their Parkersburg statement that this is a matter for each company to settle with its own agents. More agencies have been cleared during the year, and more can be cleared.

After all, the wish now is that company officials will try to get a better angle and slant of the viewpoint of the average local agent.

## COMPETITION BEING FELT

Meeting of the National Automobile Underwriters Conference Will Take Up the Outside Attacks

NEW YORK, Oct. 17.—In view of the importance of the matters likely to be presented for consideration at the annual meeting of the National Automobile Underwriters Conference in this city on Oct. 24 an unusually large attendance of members is anticipated.

It is taken for granted, though the agenda for the gathering has not been prepared, that serious attention will be given the competition association companies meet from offices that, while unaffiliated with it, are members of the Eastern Underwriters Association. Several are credited with using their freedom from the automobile conference's regulations to offer fancy commission arrangements to agents for motor business, with the stipulation that as an offset they be favored with a choice volume of the agent's fire line.

### Companies Are Restive

To what extent this policy is being practiced is unknown, but that it is being indulged in to a considerable degree is unquestioned. Companies loyally observing the regulations of each are getting exceedingly restive in consequence and are insisting that they be freed from a form of competition so manifestly unfair. When the Eastern Underwriters Association was launched two years ago, it was clearly stated that one of its ultimate purposes was to assume jurisdiction over the automobile as well as the straight fire business throughout the eastern field. Thus far the organization has been so intent upon straightening out commission and kindred problems in the fire line that it has had no time to devote to allied concerns.

### Drastic Action Urged

The encroachment of some of its member offices upon the automobile business of the orthodox offices has created a condition, however, that in the minds of many managers, calls for speedy and drastic action. Charles E. Case, assistant United States manager of the North British & Mercantile, is president of the National Automobile Underwriters conference; William vice-president, and Herbert W. Ellis, assistant United States manager of the Phoenix of England, treasurer.

Thomas E. Maloney has been appointed manager of the American Insurance Agency, Seattle, by H. K. Dent, president of the agency. Mr. Maloney was for many years manager of the insurance department of the Fred B. Grinnell Company, Spokane.

## THE ÆTNA FIRE GROUP

Three Strong Companies  
Providing Dependable Insurance  
in FIRE and ALLIED LINES  
and in CASUALTY and SURETY  
PROTECTION

PIELARS of STRENGTH

MORE THAN A CENTURY OF SERVICE

THE WORLD FIRE & MARINE INSURANCE CO. HARTFORD, CONN.

ÆTNA (FIRE) INSURANCE COMPANY

THE CENTURY INDEMNITY CO.

THE REWARD OF SERVICE IS MORE SERVICE

**WE BELIEVE THAT INSURANCE PROTECTION SERVES THE GREAT MASS OF THE PEOPLE OF THESE UNITED STATES AND THE IDEALS OF FAIR DEALING AND COOPERATION ARE UNALTERABLY APPLIED TO OUR PLATFORM**

**FIRE INSURANCE**  
**TORNADO**  
**RENT and RENTAL VALUE**  
**AUTOMOBILE**  
**USE and OCCUPANCY**  
**ALL OTHER LINES**

**NORTHERN ASSURANCE COMPANY LTD. of LONDON**  
**80 JOHN ST. NEW YORK**

## VIEWED FROM NEW YORK

By GEORGE A. WATSON

### LEADERS AID RED CROSS DRIVE

The personnel of the insurance field in New York City will be intensively covered this fall in the roll call membership appeal of the American Red Cross.

Haley Fiske, president of the Metropolitan Life, heads as volunteer chairman the special Life Insurance group in the roll call campaign organization. A. F. Lafrentz, vice-president of the American surety, is serving as chairman of the Fire Insurance, Casualty and Underwriters' group, and Charles R. Page, vice-president of the Fireman's Fund, is chairman of the Marine Insurance group. A similarly organized group, under its individual chairman, will cover insurance brokers.

### INSURANCE IS FAVORED

According to a prominent Wall street man, the readiness with which large capital has been and still is obtainable for the flotation of new fire and casualty insurance companies, is induced by the favor with which financiers have come to regard underwriting corporations as investment mediums. They appreciate that in addition to the stockholders' contribution to capital and surplus the insurance companies are required to maintain reinsurance and other reserves and these, invested under skilled guidance, appreciate in value and afford a return to stockholders materially greater than can be hoped from underwriting results for a long series of years. If the insurance company manages only to break even on its trade activities, a return will yet be scored from the banking element of the business. That phase of operations, according to the financier, is the appeal to the bankers and to those who invest on their recommendation.

### FIRE HAZARD CREATED

A special letter to members of the New York Board from its survey department cautions that because of the large amount of flammable material in the temporary frame structure on one side of the 36-story office building, now in process of erection on Wall, Beaver and Hanover streets, a "very decided fire hazard is created thereby." The temporary structure, it is pointed out, "is 43 feet by 19 feet and extends the entire height of the building. It is constructed of old lumber, is readily inflammable and is similar to that which damaged the Sherry-Netherlands Hotel building, on East 59th street, some two years ago."

### FREDERICK HOADLEY SPEAKS

Frederick Hoadley, secretary of the American of Newark, was the principal speaker at the first fall meeting of the Examining Underwriters' Association, held in Brooklyn on the evening of Oct. 16. His subject was the "Place of the Examining Underwriter in Our Business and Where He Is Getting." Mr. Hoadley reviewed some of the recent letters that have appeared in the press concerning the dearth of oncoming insurance executives, inviting questions as to his statements after their conclusion.

The inquiries were numerous, indicating the unusual interest had by the examiners in the subject under review.

### ELECTRIC RAILWAY RATES

Several informal conferences have taken place between representatives of the American Electric Railway Association and the fire insurance companies with a view to determining future rates on the railway properties. Further sessions will be held at which a comparison of the fire loss figures prepared by the two interests will be submitted; returns being made up for the five-year period, 1923 to 1927 inclusive. By virtue of the severe competition from jitney and bus lines, electric railway com-

panies have found it difficult to interest additional capital in their enterprises in recent years, in marked contrast to the ease with which funds were and are attracted by public utility corporations generally. The fire hazard on electric railway properties is mainly electric wiring, resulting in the burning of cars in the event of accidents and during repairs in pits. Car houses in the main are of large area and only a percentage thoroughly sprinklered. In recent years bad electric railway fires have occurred at both Grand Rapids and Chicago, with a number of others of lesser magnitude reported from different centers. The loss experience on cars parked in the railway yards has been generally satisfactory.

### HAVING AGENTS CHECK LIST

Executives of companies holding membership in the Eastern Underwriters' Association express amazement at the number and favorable character of responses had from the ordinary field to the circular letter recently sent out, in regard to clear agencies. Under date of Oct. 10 the associated offices wrote their agents calling attention to the agency agreement prohibiting the acceptance of a different rate of commission than that provided for by the E. U. A. or the entry into the agency of any company not a member of the governing organization. At the same time furnishing a revised list of the association companies they asked the agents to check off and discover whether they were representing any office not named. Agents are free to elect as whether they prefer continuing the representation of non-affiliated companies or the surrender of the organization institutions. Although sufficient time has not yet elapsed to hear from all sections of the field, the replies had thus far, according to common report, attest that the great majority of the agents are standing by the association companies: either returning the supplies of the non-affiliated institutions or promising to do so at an early date.

### COSMOPOLITAN FIRE STOCK

Sixty thousand shares of the newly formed Cosmopolitan Fire of New York City is offered by two local investment houses at \$28.50 per share, par value \$10. The company which has a capital of \$1,000,000 and a net surplus of \$1,500,000, plans to write general fire and allied lines of insurance, specializing in classes of preferred risks which have, over a period of years, shown a very low loss ratio. James Blainey, vice-president and secretary, is underwriting manager for the corporation.

### INSURANCE INSTITUTE PROGRAM

In addition to the address of President O. E. Lane and reports from other officers and from the board of governors, the program for the annual conference of the Insurance Institute of America, to be held in New York Oct. 23 calls for a survey of "The Outlook in Five Branches" of the insurance business; responses for the respective divisions to be made by: G. F. Michelbacher, casualty; William F. Barton, fire; Henry Moir, life; William D. Winter, marine and George E. Hayes, surety.

Two amendments to the by-laws of the organization, approved by the board of governors, will be offered at the meeting for the endorsement of the members. The object of the first amendment is to enlarge the opportunity for parties to become members of the Institute, while the second would establish a respectable registration fee for those who propose to write a thesis with the object of becoming a fellow.

In the evening following the business session, delegates will be guests of the Institute at dinner at the Hotel Astor.





Galveston, wind and water swept in 1900

**A**N entire city submerged! So great was the wind upon the Gulf waters during the tropical hurricane on our southern coast in 1900.

Galveston received the brunt of that terrific wind and resulting tidal wave. The city was laid waste and indescribable horrors abounded. About six thousand lives were lost. Communication, food supplies and water were cut off, destroyed. A city destitute, reduced to martial law.

Recovery receives its initial impetus through the beneficent influences of insurance.

The Home, now in its seventy-fifth year, has indemnified a great many losses by windstorm and consequently augmented many recoveries.

## THE HOME INSURANCE COMPANY NEW YORK

—Seventy-fifth Anniversary Year—

### CHANGES IN THE FIELD

#### FRIERSON ENTERS NEW WORK

Well Known Shelbyville, Tenn., Local Agent Joins the Great American Field Staff

Albert Frierson of Shelbyville, Tenn., member of the local firm of H. B. Cowan & Co., has been appointed special agent of the Great American and allied companies in his state. He will work in connection with E. F. Scott, the state agent. Mr. Frierson was formerly in the special agency ranks, having traveled for the Phoenix of Hart-



ALBERT FRIERSON

ford. He, therefore, is well acquainted in the state. After leaving the field he entered the local business at Shelbyville and has made a real success out of it. He became prominent in the Tennessee Association of Insurance Agents and served for two years as its president. He is a man of sound judgment and seasoned thought.

#### CALLED TO WESTERN OFFICE

Arthur E. Jensen Is Succeeded as Illinois State Agent by Edgar Taylor of Decatur

Arthur E. Jensen of Chicago, state agent in Illinois for the National-Ben Franklin, Superior and Capital, has been called to the western department office of the Firemen's group to take a responsible position in the loss department. The Illinois field men will give Mr. Jensen a farewell dinner, arrangements to be made later on. He is succeeded in his position by Edgar Taylor of Decatur, Ill., who is special agent of the Crum & Forster companies in western Illinois. Mr. Taylor will continue his headquarters at Decatur.

#### ARTHUR ELIASON ADVANCED

Well Known North America State Agent at St. Louis Is Made Field Superintendent

The North America announces the appointment of Arthur Eliason, state agent for eastern Missouri and southern Illinois at St. Louis, as field superintendent with headquarters at the western department offices in Chicago.

Mr. Eliason entered the service of the North America as assistant to State Agent A. R. Gress of Minnesota, where he made an enviable record. He continued in this work until the beginning of the war, when he enlisted in the



#### COVERAGES EFFECTED

FIRE,  
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TORNADO,  
RENTS,  
LEASEHOLD,  
EXPLOSION,  
RIOT and CIVIL  
COMMOTION,  
PROFITS AND  
COMMISSION,  
USE & OCCUPANCY

**AUTOMOBILE  
FULL  
COVERAGE**

Already the Patriotic is represented by many agencies throughout the United States.

But, frankly, we want to get in touch with some agents who do not have a Patriotic connection. We want the opportunity of telling these agents all about our service, our company, its lines, its connections.

We believe you will be glad to have this information before you as you select another company. Just a line of inquiry will bring you the PATRIOTIC facts that may result in pleasant business relations.

Won't you write us if you are looking for a good company?

# PATRIOTIC INSURANCE COMPANY of AMERICA

HEAD OFFICE  
55 FIFTH AVENUE, NEW YORK

OSWALD TREGASKIS, President

WESTERN DEPARTMENT  
WRIGLEY BLDG., CHICAGO  
JOHN F. STAFFORD, Manager

PACIFIC DEPARTMENT  
SAN FRANCISCO  
C. A. HENRY, General Agent

## SERVICE



*account  
Of all the  
Companies we represent,  
with the exception of  
those for whom we  
have draft books in  
this office, ATLAS paid  
claims more promptly,  
and it was a pleasure  
to convey this  
information to your  
assureds and their  
claimants.*

**Y**OU, as an agent, are always interested in the prompt and courteous service a company can give you and your assureds. For that reason, you will be interested in this statement by an independent adjusting company:

"... We have been handling your claims in this territory for the past three years and more than enjoyed handling your account. Of all the companies we represent, with the exception of those for whom we have draft books in this office, your company (ATLAS) paid claims more promptly, and it was a pleasure to convey this information to your assureds and their claimants."

We sincerely believe that every ATLAS agent and every ATLAS policyholder can say as much or more for the promptness and satisfaction of our service.

Specializing in automobile insurance exclusively, and writing every coverage in one policy, we devote all of our time to serving our agents and their assureds.

Such service may be of benefit to you, too! Why not give us an opportunity to tell you personally about this friendly company, our service, our full coverage policy, and our "different" agency contract?

# Atlas

## Casualty Company

EXECUTIVE OFFICES  
Fort Wayne, Indiana

OPERATING IN INDIANA, ILLINOIS, OHIO, MICHIGAN,  
MISSOURI AND PENNSYLVANIA

navy, being assigned to the duty of bread baker and serving throughout the war.

He returned to the service of the North America as state agent for Wisconsin, where he served with distinction until he felt it necessary to return to Minneapolis in order to care for his aged parents, when for a brief period



ARTHUR ELIASON

he engaged in the local business in that city. As soon as this family responsibility permitted, he returned to the North America service and was placed in charge of St. Louis, later taking over supervision of southern Illinois and

eastern Missouri, which field he leaves to take his new position.

In his new work Mr. Eliason will spend most of his time in supervising the field forces of the North America and its affiliated companies—a position of substantial importance and one which his record indicates he is well qualified to fill.

No successor has been announced to fill the vacancy caused by Mr. Eliason's promotion but indications point strongly to an active young field man now in the North America service.

### Thomas F. Hagan

Thomas F. Hagan, who has been special agent in Wisconsin for the Underwriters Agency, has been appointed special agent of the Sussex Fire of Newark in Illinois and Wisconsin and will also have charge of the larger cities of Minnesota. He was formerly an examiner in the old western department of the Commercial Union, then traveled for the company in Wisconsin and then went to the Phoenix of London in the same field.

### T. G. Dahl

T. G. Dahl, special agent of the Great American in Minnesota, has been transferred to Chicago to become assistant manager of the hail department. John Peterson is the manager.

### A. L. Williams

Alfred L. Williams, who has been state agent in Kentucky and Tennessee for the Milwaukee Mechanics, with headquarters at Nashville, has been called in for duty in the home office at Milwaukee. His successor in the field has not been named.

## AS SEEN FROM CHICAGO

### MARTINI COMPANY MOVES

George L. Martini Company, well known Chicago local agents and managers of the central department of the Retailers Fire of Oklahoma City, announce the removal of their offices to A-1761 Insurance Exchange building. The new telephone number is Harrison 4273.

\*\*\*

### BYRNE LEAVES "BULLETIN"

Thomas J. Byrne, Jr., son of the senior member of the firm of Byrne, Byrne & Hahn of Chicago, has resigned as first associate editor of the "Insurance Producers Bulletin" to become associated with his father's agency. James C. O'Connor, who has been with the "Bulletin" for some time, succeeds Mr. Byrne as first associate editor.

\*\*\*

### CREDIT REPORTERS MEET

W. A. Chapman, western manager of the Fireman's Fund; R. H. Goodwin, automobile superintendent in the western department of the Great American Indemnity; Dr. Walter A. Jaquith, medical director of the National Life, U. S. A.; W. C. Hill, vice-president of the Retail Credit Company, and E. J. Hyde, resident vice-president of the Retail Credit in Chicago, were the speakers at the meeting of Chicago and Milwaukee representatives of the Retail Credit held in Chicago last Friday evening. Improvement of reporting service was the theme of the meeting.

\*\*\*

### ILLINOIS BLUE GOOSE PROGRAM

The Illinois Blue Goose has announced some of its activities for the season. On Oct. 29 there will be an initiation and dinner at the Hotel LaSalle in Chicago. On Dec. 3, there will be a managers' luncheon at the Insurance Club rooms in the Great Northern hotel. In January, when the Illinois State Board and the Illinois Field Club will hold their semi-annual meeting in Peoria, there will be an initiation and

dinner there. On Feb. 23 there will be ladies' night, the main feature being a dinner-dance. This will be held at the Hotel LaSalle in Chicago. The pond is already arranging for a May party.

Announcement was made this week of the appointment of guards for the Illinois pond. They include E. E. Enck, Milwaukee Mechanics; John N. Miller, Providence-Washington; Wallace Mink, Netherlands; E. E. Parker, Detroit Fire & Marine; Rodney D. Wiley, Atlas, and Harry W. Wood, Dubuque Fire & Marine.

\*\*\*

### ESTABLISHES RENTAL COLLECTION

The Insurance Library in the Insurance Exchange in Chicago has opened a rental department, it being one of the first special libraries in the city to have such a department comprising popular books. The library has purchased 250 books covering fiction, biography, travel and adventure. It has a very carefully selected list including popular books. The library is charging a \$1 registration fee for those who desire to use the rental collection. The rental fee ranges from 25 to 50 cents a week, according to the price of the book. The new department started this week and is expected to prove very popular.

\*\*\*

### KRUEGER IN NEW OFFICE

Fred G. Krueger & Co. have moved their office from the Illinois Merchants Bank building to the new section of the Insurance Exchange building, Chicago. The new room number is A-1514-18.

The agency manages the Allemannia in Cook county. Its other companies are the St. Paul Fire & Marine, First American and Universal.

\*\*\*

### NORTH AMERICA INVITATION

Inasmuch as the Western Union will hold its spring meeting at Bellevue-Stratford hotel in Philadelphia in April,



Western Manager C. R. Tuttle of the North America, on behalf of the officials of his company, has tendered an invitation to the organization to hold its session in the auditorium of the home office building. The North America building is at 1600 Arch street. It is not far from the hotel. The auditorium is well lighted and ventilated. The governing committee has not yet decided whether it will be practical to hold the meetings at that distance from the hotel.

#### HAMILTON, STAFFORD IN DETROIT

F. P. Hamilton, manager of the western department of the Queen, and John F. Stafford, western manager of the Sun, were Detroit visitors last week.

They attended the field meeting of the Michigan Underwriters Association and in response to requests both addressed the gathering.

#### MEETING OF JOINT COMMITTEE

Ernest Palmer, manager of the Chicago Board, has called a meeting of the committee of nine consisting of representatives of the Western Union, Western Insurance Bureau and Chicago Board to discuss the result of the action of the three organizations on the trilateral agreement to regulate commissions in Cook county. The Chicago Board adopted the agreement. The Western Union changed it to some extent. The Western Insurance Bureau at its meeting "approved" the report and recommended the continuance of its committee in an effort to bring about a proposed agreement or come to an agreement on modifications which will be satisfactory to all concerned. The Union in passing on some changes recommended that contingent commissions be not open but be put on an earned premium basis at 10 percent. It also recommended that commissions for suburban and outer city agents remain at 15 and 25 percent instead of being ultimately reduced to 10 and 20 percent. This would keep the maximum commission at 35 percent on class 2 business while the original agreement put it at 30 percent final. The action of the Western Insurance Bureau opens the way for a parley. The quarterly meeting of the Chicago Board will be held Oct. 25.

#### GOVERNING COMMITTEE OFFICERS

Fred P. Hamilton, vice-president and western manager of the Queen, was elected chairman of the governing committee of the Western Union at its meeting this week. A. F. Powrie, western manager of the Fire Association, was elected vice-chairman. Both men are very capable and are regarded as among the squarest in the organization. Mr. Hamilton has taken an active interest in the organization. He was formerly at the home office of the Queen but was sent to Chicago to take charge of the western department and reorganize it. He has been eminently successful in his undertaking. Mr. Powrie was formerly Michigan state agent of the Fire Association, then was called to Chicago as assistant manager and when John M. Thomas was made manager of the Aetna, Mr. Powrie succeeded him as manager of the Fire Association.

#### WESTERN UNION COMMITTEES

President W. B. Flickinger of the Western Union announces the standing committees for the next six months. J. A. Campbell, Home of New York; W. H. Lininger, Springfield Fire & Marine; C. R. Street, Great American, are the new men on the governing committee. W. N. Achenbach of the Aetna becomes chairman of the grievance committee, succeeding Mr. Street. Charles F. Thomas of the Aetna becomes chairman of the field organization committee, succeeding H. T. Cartledge, Liverpool & London & Globe. John M. Thomas, Fire Association, becomes chairman of the committee on contractual relations with agents, succeeding Mr.

Street. The members of the committees are as follows:

**Arbitration**—E. W. Law, Royal, chairman; F. W. Bowers, Connecticut Fire; W. A. Chapman, Fireman's Fund; G. T. Forbush, Royal Exchange; C. A. Ludlum, Home of New York; E. M. Schoen, Atlas; E. W. West, Glens Falls.

**Arrangements and Good Fellowship**—A. F. Powrie, Fire Association, chairman; Milton Dargan, Royal; E. W. Law, C. A. Ludlum, W. P. Robertson, Alliance.

**Bulletin**—W. P. Robertson, chairman; C. W. Higley, Hanover; W. L. Lerch, Royal; F. B. Luce, Providence Washington; A. F. Powrie.

**Fire Protection Engineering**—A. G. Dugan, chairman; Charles E. Dox, London & Lancashire; John C. Harding, Springfield; C. W. Higley, C. R. Street, Great American; J. M. Thomas, Fire Association; C. R. Tuttle, North America.

**Governing**—J. A. Campbell, Home of New York; A. G. Dugan, W. H. Lininger, Springfield; George C. Long, Jr., Phoenix of Hartford; F. P. Hamilton, Queen; E. A. Henne, America Fore; A. F. Powrie, John F. Stafford, Sun, and C. R. Street.

**Grievance**—W. N. Achenbach, Aetna, chairman; George H. Bell, National of Hartford; B. G. Chapman, Jr., American Central; S. H. Quackenbush, Westchester,

and T. R. Richardson, New York Underwriters.

**Maps**—C. R. Street, chairman; B. G. Chapman, Jr.; P. Beresford, Phoenix of London; Hart Darlington, Norwich Union; E. A. Henne.

**Membership**—W. A. Chapman, chairman; S. M. Buck, Transcontinental; John H. Griffin, Northwestern Fire & Marine; J. A. Kelsey, Tokio; F. B. Luce, George K. March, Detroit National; J. H. Packard, London Assurance.

**Press**—W. L. Steele, Niagara, chairman; Hart Darlington, F. B. Luce.

**Public Relations**—J. C. Harding, Springfield, chairman; F. R. Bigelow, St. Paul Fire & Marine; F. P. Hamilton; C. F. Shallcross, North British & Mercantile; C. R. Tuttle.

**Publicity and Education**—W. H. Lininger, chairman; W. A. Chapman, F. P. Hamilton, F. B. Luce and H. M. O'Brien, Chicago Fire & Marine.

**Uniform Forms**—John F. Stafford, chairman; George H. Bell, E. A. Henne, W. L. Lerch, W. H. Lininger.

**West Virginia Supervisory**—George C. Long, Jr.; A. G. Dugan, E. A. Henne.

**Chicago**—C. R. Tuttle, J. M. Thomas, J. R. Wilbur, America Fore.

**Large Cities**—George H. Bell, chairman; Hart Darlington, A. G. Dugan, C. F. Shallcross, C. R. Street, J. R. Wilbur.

**Field Organizations and Blue Goose**—C. F. Thomas, Aetna, chairman; Montgomery Clark, Hanover; J. C. Harding, D. E. Monroe, American Central; J. F. Stafford.

**Cook County Loss Adjustments**—W. L. Lerch, chairman; A. G. Dugan, J. C. Harding.

**Inland Marine Competition**—R. B. Ives, Aetna, chairman; F. R. Bigelow, G. G. Bulkley, Springfield Fire & Marine; A. G. Dugan, George C. Long, Jr.

**Cooperation in Loss Adjustment Practices**—J. F. Donica, America Fore, chairman; F. B. Luce, A. F. Powrie, C. F. Shallcross, C. R. Street.

**Grain Business Other Than in Terminals**—Walter C. Leach, Minneapolis F. & M., chairman; W. N. Achenbach; H. T. Cartledge, Liverpool & London & Globe; A. G. Dugan, Alfred Stinson, Automobile.

**Contractual Relations With Agents**—J. M. Thomas, Fire Association, chairman; John H. Packard, R. A. Palmer, W. L. Steele, J. R. Wilbur.

**Central Traction and Lighting Bureau**



Mr. Hippo plays friend to the dentists by aptly showing onlookers what is meant by the term "a little wider please."

## A Big Game Hunter Never Depends on One Weapon Why Should You?

THAT is why Automobile writing agents like the Universal Automobile. Here they get a specialized service where Automobile coverages may be written under one or separate policies without endorsements—where the range of policies is as wide as only they can be in a specialty company—when collision is written, for instance: full coverage—\$50.00 or \$100.00 deductible and 50% retention—where P. L. & P. D. are written at any limits—Plate Glass and so on—why not take the first step towards an increased Automobile Insurance premium income by writing for complete information today?

**UNIVERSAL AUTOMOBILE  
INSURANCE COMPANY**  
EDWARD T. HARRISON, PRESIDENT  
DALLAS, TEXAS

# Guesswork Once Cost a Throne

He didn't know—took something for granted, and because of his guesswork Napoleon lost the battle of Waterloo and the throne of France.

Guesswork is always costly. By recommending a Lloyd-Thomas appraisal\* you take the guesswork out of your client's insurance program.

You stamp yourself as a reliable and dependable insurance man, and render your client an invaluable service.

**\*\*\*WHAT IS AN APPRAISAL?—**It is a complete classified inventory of insurable property (except stock, merchandise and raw materials). Each item of property is valued at today's cost to replace new. The amount of accrued depreciation is determined and the sound insurable value is given.

**\*\*\*ITS ADVANTAGES—**1st—It discovers insurable values that have long been written off the books through unscientific depreciation—2nd—It gives the agent, the assured, and the companies value facts of property. 3rd—It makes for adequate insurance protection, for in nearly every instance it calls for additional insurance.

## The Lloyd-Thomas Co.

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## NEW YORK UNDERWRITERS INSURANCE COMPANY

CAPITAL \$2,000,000

A. & J. H. STODDART, General Agents

100 William Street - - - New York City

FIRE - AUTOMOBILE - WINDSTORM  
BUSINESS INTERRUPTION INDEMNITY

—J. C. Harding, chairman; George H. Bell, A. G. Dugan.

### BARDWELL IN CHICAGO

John C. Bardwell of St. Louis, who has been in the insurance business there and identified with other enterprises in the city for some time, has become managing underwriter for the United States General Underwriters, a new Lloyds that is being organized in Chicago. Mr. Bardwell was formerly president of the Liberty Fire of St. Louis. Linus Long, who was formerly one of the managers of the Chicago Lloyds, is the head of the United States General Underwriters organization. Its office is in the Straus building.

### INSURANCE STOCK QUOTATIONS

H. W. Cornelius of the investment firm of Lewis-Dewes & Co. of Chicago, furnishes the following insurance stock quotations as of Oct. 15:

Stock	Par	Bid	Asked	Share
Aetna Cas. & S.	100	1160	1200	\$12.00
Aetna Fire	100	870	890	24.00
Aetna Life	100	870	885	12.00
Agricultural	25	130	145	4.00
Alleghenia	50	330	350	10.00
Amer. Alliance	100	610	625	16.00
Amer. Auto.	10	75	80	2.00
Amer. Drug, F.	25	83	86	3.00
Amer. Equitable	5	34	36 1/2	1.50
American	5	26	28	1.00
Amer. Phenix	50	55	58	...
Amer. Re-Insur.	10	67	70	3.00
Amer. Reserve	10	87	92	3.00
Amer. Salam	50	73	77	2.50
Amer. Surety	50	282	290	12.00
Automobile	100	425	445	...
Baltimore Amer.	10	84	87	...
Bankers Indem.	5	22	25	1.80
Bankers & Ship.	100	550	600	18.00
Boston	100	1275	...	18.00
Brooklyn Fire	25	103	109	...
Buffalo Insur.	100	450	...	13.00
Camden	5	30	32	.95
Carolina	10	60	64	1.40
Cent. West Cas.	50	66	72	2.00
Chicago F. & M.	10	16	17	...
City of N. Y.	100	595	615	16.00
Colonial States	10	28	31	...
Columb. Natl.	25	18	22	...
Coml. Casualty	10	52	56	1.60
Commonwealth	100	750	...	20.00
Constitu. Indem.	10	32	36	...
Cont. Cas.	10	73	75	1.60

### OPPORTUNITIES

This column serves as a market place where insurance wants may be made known to thousands of interested insurance men.

Advertisements which are received before 5:00 P. M. Tuesday are inserted in the current issue.

"Opportunities" advertisements are \$6.00 an inch for one insertion.

The National Underwriter  
Chicago

### CHICAGO BROKER WANTED

A real opportunity to obtain an interest in Automobile General Agency representing large board companies. Must have fair volume of good business. Replies confidential.

Address G-94, care of National Underwriter.

Young man, Ins. Inst. graduate, 8 1/2 years underwriting experience, some inspection experience, desires connection with good company in field of underwriting. Salary conditional on demonstration of ability. Address G-87, care The National Underwriter.

Young man with eight years general insurance experience desires position as automobile or fire insurance adjuster. Can furnish best of reference. Address G-88, care The National Underwriter.

Connection wanted as special agent for fire company. Six years experience in Chicago in general lines operating own agency, now writing about \$10,000 annual premiums which still controls. Single, 42 years old. Nearby territory preferred. Address G-93, Care The National Underwriter.

Stock	Par	Bid	Asked	Share
Continental	10	79	81	2.00
Detroit Fd. & S.	50	65	71	4.00
Detroit F. & M.	100	280	300	10.00
Detroit National	25	18	24	1.00
Eagle, N. J.	20	90	96	4.00
Emplrys. Re-Ins.	10	37	38 1/2	...
Excelsior	5	12	14	...
Federal, N. J.	100	1250	...	20.00
Federal Surety	25	...	...	...
Fidelity & Cas.	25	195	205	5.00
Fidelity & Dep.	50	285	300	8.00
Fidel. Phenix	10	84	86	2.00
Fire Assn.	10	47	48	2.50
Fireman's Fund	25	115	120	5.00
Firemen's	10	45	47	2.20
Franklin	25	400	410	8.00
Genl. Cas. & Sur.	...	30	50	...
General Surety	25	140	150	...
Georgia Cas.	10	20	25	1.20
Globe & Rut.	10	61	63	1.60
Globe & Rut.	100	2910	2980	44.00
Gt. Amer. Cas.	25	15	20	...
Gr. Amer. Indem.	10	75	80	...
Great American	10	47	49	1.60
Great Lakes	10	11	13	1.00
Guaranty Fire	100	215	230	10.00
Guardian Fire	25	120	125	5.00
Halifax Fire	10	43	46	...
Hamilton Fire	50	350	400	4.00
Hanover Fire	10	78	81	1.00
Harmonia Fire	10	75	78	1.40
Hartford Fire	100	835	850	20.00
Hartford St. Boil.	100	...	780	18.00
Henry Clay Fire	10	11 1/2	...	.60
Home, N. Y.	100	540	550	20.00
Home Fire Sec.	10	42 1/2	45 1/2	...
Homestead	10	38	41	.60
Hudson Casualty	5	8	10	...
Import. & Exp.	25	90	93	4.00
Indem. Indem.	10	24	26	.50
Indem. Fire	10	19	24	.60
Ins. Co. N. A.	10	74	76	2.00
Iowa National	100	160	...	8.00
Lincoln, N. Y.	20	91	96	4.50
Lloyds Pl. Glass	100	260	280	14.00
Maryland Cas.	25	160	170	5.00
Mass. Bonding	100	550	600	12.00
Merchants, Com.	25	390	...	8.00
Merchants, Pfd.	100	126	...	7.00
Mechanics	25	100	...	2.50
Merchants, R. I.	50	117	123	...
Merch. & Manuf.	5	20	25	...
Metropolitan F.	10	12	...	1.00
Milwaukee Mech.	10	45	48	1.80
Mohawk Fire	25	50	54	...
National Cas.	10	50	53	1.20
National, Conn.	100	1125	1160	25.00
National Liberty	100	320	340	12.00
National Union	100	312	314	10.00
National Surety	100	312	314	10.00
New Amster. Cas.	10	72	74	2.80
New Brunswick	10	54	57	...
New Cent. Cas.	50	...	...	5.00
New England F.	10	48	53	...
New Hampshire	100	525	550	16.00
New Jersey	20	65	70	1.80
N. Y. Casualty	25	93	96	4.00
Niagara	25	123	128	...
Northern, N. Y.	25	130	136	3.75
North River	25	330	340	7.75
N. W. Natl. F.	25	200	215	...
Occidental	10	27	29	...
Pacific Fire	25	165	180	4.00
Pacific Indem.	50	210	...	...
Peoples Natl.	10	60	63	1.25
Philadel. Nat. F.	10	24	27	...
Pioneer, Conn.	100	835	850	20.00
Pioneer Fire	100	535	560	12.00
Preferred Accl.	25	29	...	...
Presidential	100	715	730	16.00
Prov. Wash.	5	25	27	...
Public Fire	10	26	29	1.20
Relliance	100	340	365	12.00
Rhode Island	25	180	191	6.00
Rossia	10	25	28	...
Seaboard Surety	10	25	28	3.00
Sec. N. H. Ex Rt.	10	37	38	1.60
Southern Sur.	25	205	220	4.00
Springfield	25	210	214	4.00
St. Paul F. & M.	50	335	375	6.00
Standard Accl.	100	300	315	6.00
Stuyvesant	10	27	30	...
Transpor. Indem.	10	26	28	...
Transpor. Insur.	25	38	46	...
Travelers	100	1500	1610	22.00
T. S. Fire	10	102	110	...
T. S. Casualty	100	490	495	10.00
T. S. Fd. & G.	50	470	480	10.00
T. S. Merch. & S.	100	455	475	8.00
Universal	25	80	85	3.50
Victory	10	98	99	1.20
Virginia F. & M.	25	130	145	4.50
Vulcan	100	150	...	12.00
Westchester F.	10	96	99	2.50

\*Rights 268-274  
\*Rights 8 1/2-10  
\*Rights 92-93

\*\*\*

W. J. Nolan, general agent of the Pacific, New Jersey and Bankers & Shippers, has moved his headquarters to A-1726 Insurance Exchange, Chicago. Special Agent R. V. Haser is associated with Mr. Nolan.

### Joins Springfield Agency

HARTFORD, Oct. 17.—Charles T. Van Vliet of this city will become manager of fire, casualty and liability departments in the general agency of Frank M. Kinney at Springfield, Mass., Nov. 1.

Mr. Van Vliet has been in the insurance business in Hartford for many years. During the past several years he has been associated with the Hartford Accident & Indemnity as supervising safety engineer.



## OKLAHOMA AGENTS IN ANNUAL MEETING

M. E. WILLIAMS IS PRESIDING

Lyle A. Stephenson of Kansas City  
Advocated Closer Union Between  
Local Men and Companies

OKLAHOMA CITY, Oct. 17.—  
The Oklahoma Association of Insurers  
is holding its annual convention here  
this week. President M. E. Williams  
is in the chair.

Lyle A. Stephenson of Kansas City,  
Mo., spoke at the meeting. He called  
attention to the expansion of insurance  
in so many different lines. The local  
agent, he said, is the only factor build-  
ing good will. Local agents, he said,  
should study their community situation  
and endeavor to correct any undesirable  
conditions.

He said that the agents are suspicious  
of the companies and the companies of  
the agents. He suggested that the pub-  
lic relations committee of the National  
Board be enlarged to include some  
agents that might act in an advisory  
capacity. This would bring the two in-  
terests together.

Mr. Stephenson is one of the most  
consistent and successful advertisers in  
the local business. He said that the  
development of an advertising campaign  
is a slow process. His advertising is  
now confined to the blotter, newspaper  
and free billboards.

### President Williams' Address

President M. E. Williams stressed the  
need for agency qualification laws in his  
annual address. He also commented  
upon the Oil Association situation and  
said he is satisfied to leave the matter  
in the hands of the National association.  
Mr. Williams criticized the stock com-  
panies for reinsuring the risks of the re-

## FIRE INSURANCE PREMIUMS PAID IN CHICAGO FOR YEAR ENDING JUNE 30

THE list of fire insurance premiums  
written by the companies in Chi-  
cago for the year ending June 30,  
1928 has been revised. The figures are  
compiled from the tax returns received  
by the city comptroller. The amounts  
written by the various companies fol-  
low:

	Year Ending June 30—		
	1928	1927	1926
Albany .....	46,652	53,015	51,934
Amer. Auto .....	11,057	.....	.....
Amer. Auto F. ....	14,703	.....	.....
Amer. Eagle .....	140,668	169,156	193,258
Amer. Mut., Ind. ....	133	757	.....
Atlantic Mut. ....	31,009	57	.....
Amer. Nat. ....	28,137	27,088	27,690
Amer. Union .....	71,342	54,992	37,703
Automobile .....	248,690	173,808	211,915
Aetna .....	696,833	803,883	809,621
Agricultural .....	85,143	88,295	94,126
Allemania .....	24,423	33,199	19,260
Allied Am. Mut. ....	1,280	1,354	.....
Alliance .....	181,430	170,474	169,009
Amer. Alliance .....	107,530	107,389	97,327
American, N. J. ....	384,799	388,012	382,280
Amer. Central .....	119,189	167,586	208,630
Amer. Drug .....	56,227	54,455	51,738
Amer. Lloyds .....	5,096	7,715	.....
Amer. Mut., R. I. ....	2,377	2,139	2,428
Arkwright Mut. ....	9,330	12,265	17,406
Atlas Assur. ....	234,060	230,369	214,182
Balti. Amer. ....	35,266	56,600	82,182
Bankers & Ship. ....	35,647	27,659	37,198
Berkshire Mut. ....	1,512	2,471	2,836
Blackstone Mut. ....	12,946	23,050	24,577
Boston .....	127,619	162,800	159,583
Boston Mfrs. M. ....	3,074	17,134	19,464
British-Amer. ....	19,853	30,259	99,049

ciprocals and mutuals. Speaking about  
the relations of the agent to the com-  
panies, he said that the agent's commis-  
sion has not been increased for some  
time and that 1928 will show a decrease  
in volume and the agent's income will  
be lowered. He urged the cooperation  
of companies and agents on mutual  
problems. In warning the agents to  
watch their balances he said they should  
keep up with their part of the agree-  
ment made in 1926.

### Year Ending June 30—

	1928	1927	1926
Brooklyn .....	16,412	.....	.....
Buffalo .....	135,164	129,729	110,749
Caledonian .....	188,800	188,945	160,262
Caled.-Amer. ....	29,113	28,299	20,748
California .....	13,991	.....	.....
Camden .....	111,772	112,798	103,497
Capital, Cal. ....	38	.....	.....
Capital, N. H. ....	222	.....	.....
Carolina .....	12,158	4,088	.....
Carolina Mut. ....	774	.....	.....
Cent. Mfrs. Mut. ....	28,872	22,576	34,098
Central States .....	989	.....	.....
Century .....	80,314	85,330	67,615
Citizens, Mo. ....	33,122	27,759	32,330
City of N. Y. ....	54,860	48,966	46,798
City, Pa. ....	4,923	1,947	2,699
Columbian Nat. ....	41,697	57,807	.....
Columbia, N. J. ....	19,285	25,878	24,241
Commerce .....	93,931	100,531	91,968
Coml. Un., Eng. ....	271,446	.....	374,079
Commonwealth .....	205,751	61,494	81,378
Connecticut .....	291,472	285,913	138,180
Continental .....	469,781	564,744	599,873
Concordia .....	106,856	153,174	155,608
Cot. & W. Mfg. M. ....	6,197	8,066	8,370
County, N. H. ....	12,515	.....	.....
Delaware .....	126,174	94,765	78,587
Delaware Und. ....	34,274	27,843	32,314
Detroit F. & M. ....	99,465	99,915	82,403
Dub. F. & M. ....	232,668	220,757	165,020
Eagle, N. Y. ....	18,885	20,378	24,213
Eagle St. B. D. ....	96,909	101,827	88,906
Emplyrs., Mass. ....	142,477	127,950	77,209
Enterp. M. R. I. ....	2,377	2,139	2,428
Equit. F. & M. ....	132,042	95,400	42,135
East & West .....	27,300	24,338	9,065
Eureka-Sec. ....	42,903	49,397	47,361
Excelsior .....	4,372	2,726	3,445
Export .....	12,188	10,065	29,927
Fall River Mut. ....	2,876	.....	.....
Farmers, Pa. ....	53,402	61,955	46,432
Federal, N. J. ....	51,161	46,920	54,302
Fire Assn. ....	315,040	299,321	249,243
Fireman's Fund .....	543,839	492,310	367,798
Franklin Nat. ....	45,983	50,411	23,382
Fidel. Mut., Ind. ....	244	821	1,366
First Amer. ....	42,206	36,879	23,491
Fidel. Phenix .....	217,157	285,972	362,936
Firemen's, N. J. ....	170,872	145,774	145,774
Firemen's Mut. ....	16,373	28,201	44,481
Fitchburg Mut. ....	1,382	480	1,826
Franklin .....	68,248	79,535	78,822
General, Fr. ....	30,303	31,124	32,055
Glard F. & M. ....	158,408	141,411	113,659
Guaranty, R. I. ....	20,211	8,352	9,585
Glen Cove Mut., N. Y. ....	1,326	1,452	1,080
General, Wash. ....	103,501	9,284	45,754
General Exch. ....	113,485	1,685	.....

	Year Ending June 30—		
	1928	1927	1926
Globe, Pa. ....	61,323	63,566	60,835
Gr. Deal. Nat. ....	.....	.....	.....
Ind. ....	13,589	11,666	6,961
Gleens Falls .....	336,373	256,679	286,780
Globe & Rut. ....	367,632	375,786	361,508
Granite State .....	37,965	40,613	39,856
Great Amer. ....	266,382	287,006	262,055
Gt. Am. (R. D.) ....	117,741	.....	.....
Hamilton .....	35,174	.....	25,819
Hampton Roads .....	18,233	11,548	.....
Hanover .....	162,665	170,202	155,515
Hdw. Dirs. Mut. ....	6,117	8,705	3,774
Hartford .....	547,461	760,527	688,682
Henry Clay .....	10,779	14,030	33,032
Homeland .....	55,035	.....	.....
Home, N. Y. ....	617,880	663,154	610,360
Home F. & M., Cal. ....	116,232	135,750	56,201
Hope Mutual .....	5,374	8,889	7,262
Hudson .....	68,089	64,389	53,991
Imperial .....	31,098	33,111	28,762
Impl. Dirs. Mut. ....	65	31	.....
Imp. of Am. ....	46,979	50,566	24,415
Indem. of Am. ....	84,756	.....	.....
Independence .....	6,707	30,777	24,598
Ind. Lumb. Mut. ....	5,139	5,912	5,912
Industrial .....	11,737	6,112	11,044
Indust. Mut. ....	3,535	4,491	4,318
Keystone Mut. ....	4,539	5,846	6,284
Knickerbocker .....	14,090	11,090	20,607
Lafayette .....	12,110	6,103	8,925
La Salle .....	30,713	.....	.....
Law, U. & Rock .....	76,603	72,740	73,654
Liberty Bell .....	5,141	5,003	6,465
L. & L. G. ....	313,689	297,853	308,832
London & Scotl. ....	35,002	102,047	50,926
London Assur. ....	258,154	329,306	275,132
London & Lanc. ....	224,935	276,435	287,534
Lum. Mut., O. ....	17,740	11,556	7,518
Lumber, Pa. ....	90,786	82,010	66,284
Lumb. M., Mass. ....	6,023	6,652	6,205
Manhattan .....	85,579	106,751	111,796
Manton M. Pa. ....	4,586	5,961	5,820
Mnf. Mut., R. I. ....	2,941	3,666	4,047
Marine .....	154	.....	.....
Maryland .....	59,561	49,906	40,921
Mass. F. & M. ....	35,571	47,239	46,656
Mechanics .....	197,428	187,633	.....
Mech. Mut., R. I. ....	2,377	2,139	2,428
Mercantile .....	138,665	99,249	120,299
Mechanics, Pa. ....	117,504	197,428	187,633
Merchants, Colo. ....	16,777	7,032	6,067
Merchants, N. Y. ....	271,001	307,066	317,841
Merch. & Mfrs. ....	5,390	.....	.....
Merc. Mut., R. I. ....	21,485	12,845	11,568
Mercury .....	39,718	47,277	47,617
Merchants, R. I. ....	34,282	40,762	31,267
Merrimack Mut. ....	1,028	750	571
Mech. & Trad. ....	91,556	37,729	23,816
Mich. Com. Und .....	449	.....	.....
Mich. F. & M. ....	113,131	93,379	74,805
Mich. Mill. Mut. ....	22,158	25,123	15,493
Mill. Mut., Tex. ....	12,974	8,722	9,118
Mill Own. Mut. ....	29,694	23,208	26,816
Millers Mut., Pa. ....	937	.....	.....
Milwke. Mech. ....	270,766	280,022	251,278

(CONTINUED ON NEXT PAGE)

THE "HAPPY MEDIUM"

Progressive enough to  
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WESTERN DEPARTMENT  
175 W. Jackson Boulevard  
Chicago, Illinois

PACIFIC COAST DEPT.  
108-110 Sansome Street  
San Francisco

## (CONT'D FROM PRECEDING PAGE)

	(Year Ending June 30)	1928	1927	1926
Minn. F. & M.	18,490	16,491	13,017	2,999
Minn. Imp. Mut.	3,434	6,174	3,409	
Narragansett	17,800	3,391	3,409	
Nat.-Ben. Frank	136,665	95,660	126,864	
National, Conn.	555,226	465,255	382,429	
Natl. Guar.	8,040	.....	.....	
Nat. Imp. D. M.	196	311	691	
Natl. Liberty	250,779	267,314	259,716	
Natl. Mut., Pa.	871	1,486	1,391	
Natl. Pet. Mut.	1,361	1,418	.....	
Natl. Security	145,064	112,481	75,091	
Natl. Union	135,955	163,509	211,378	
Newark	173,426	259,916	231,176	
New Brunswick	40,900	15,398	15,286	
New Hamp.	113,924	123,778	115,982	
New Jersey	14,237	13,112	15,812	
New York Fire	7,739	11,265	28,481	
Netherlands	99,136	120,617	136,248	
N. Y. Eq. Und.	49,688	.....	.....	
N. Y. Under.	176,612	142,552	165,210	
Niagara	168,589	179,518	180,622	
Niagara-Det. Un.	92,749	114,222	108,130	
North America	729,844	730,824	671,084	
N. Br. & Merc.	267,044	211,504	236,585	
N. C. Home	2,008	1,924	7,382	
North River	122,055	161,764	113,014	
Northern Assur.	208,302	212,136	182,868	
Northern, N. Y.	165,960	137,300	118,410	
N. W. F. & M.	10,894	12,532	10,140	
N. W. Mutual	21,206	19,879	18,069	
N. W. Nat.	161,484	154,337	179,387	
Norwich Union	141,026	117,327	115,389	
Ohio Farmers	47,122	49,360	69,310	
Ohio Hdw. Mut.	802	517	364	
Ohio Mutual	998	1,099	1,378	
Ohio Und. Mut.	2,662	2,483	2,365	
Old Colony	61,088	76,551	58,801	
Orient	250,863	252,750	264,810	
Pacific	119,953	143,944	82,865	
Patriotic	121,026	126,750	110,129	
Palatine	39,170	153,044	157,509	
Pawtucket Mut.	4,165	3,997	6,955	
Peoples Nat. F.	20,905	48,865	65,534	
Pennsylvania	265,494	161,096	169,428	
Penn. Mill. Mut.	7,709	7,273	6,633	
Pa. Nat. Hd. M.	56	.....	.....	
Peoples Natl.	19,881	48,865	65,534	
Phila. F. & M.	182,001	186,607	155,455	
Phila. Mf. Mut.	8,306	13,740	11,186	
Phoenix, Conn.	34,879	45,559	23,508	
Potomac	149,758	144,920	132,611	
Prov. Wash.	4,493	20,289	53,981	
Provident	12,546	.....	.....	
Public, N. J.	209,492	204,054	198,300	
Phoenix, Eng.	223,004	265,745	175,825	
Queen	157,716	173,203	141,917	
Reliance	48,778	49,587	46,761	
Reliable, O.	56,015	39,495	23,676	
Republic	29,552	27,873	8,890	
Retalliers, Okla.	2,922	3,781	1,326	
Ret. Hdw. Mut.	311	.....	.....	
Republic Auto.	110,297	78,080	95,575	
Rhode Island	3,961	3,566	4,047	
R. I. Mutual	51,373	72,493	54,588	
Richmond	465,118	648,644	673,857	
Royal	164,251	78,278	133,872	
Royal Exch.	6,289	7,999	8,285	
Rubber Mf. Mu.	43,681	54,140	53,014	
Seaford	98,979	99,383	97,755	
Seattle U. & N.	176,970	180,262	166,587	
Security, Conn.	62,563	68,688	66,045	
St. P. F. & M.	563,760	284,842	256,090	
Springfield	128,834	432,850	410,896	
Standard, Conn.	116,140	76,283	74,562	
Standard, N. J.	97,310	109,413	87,119	
Standard, N. Y.	152,933	201,434	113,113	
Standard Mut.	2,624	2,899	3,539	
Star	136,520	91,414	103,247	
State Assur.	19,111	35,072	18,963	
State Mut., R. I.	4,754	4,279	4,856	
State, Pa.	187,539	139,076	157,063	
Scot. Un. & Nat.	137,049	.....	.....	
(Br. Und.)	58,064	55,480	44,613	
Stuyvesant	35,998	39,855	55,208	
Superior	208,161	223,809	240,124	
Sun	69,976	70,195	59,396	
Svea	71,702	.....	.....	
Transcontinental	126,773	127,972	98,215	
Travelers	37,370	53,615	74,042	
Tokio M. & F.	38,459	28,776	50,353	
Twin City	2,680	.....	.....	
Union Auto	23,923	85,978	174,848	
Union, Eng.	92,098	52,145	25,435	
Union, France	381	.....	.....	
Union M. R. I.	38,060	26,811	26,898	
United Am. Pa.	48,803	87,644	87,122	
United Fire	9,111	5,653	4,111	
United M. Mass.	182,798	154,735	121,906	
U. S. Fire	9,226	.....	.....	
Universal	72,095	76,412	69,073	
U. S. Mer. & S.	63,809	71,631	57,220	
Urbaine	104,039	81,665	100,478	
Victory	72,101	73,690	70,375	
Va. F. & M.	26,056	28,546	20,907	
Wash. N. Y.	220,441	243,824	241,249	
Westchester	76,741	48,908	55,414	
Western Assur.	1,671	.....	.....	
Western, Kan.	5,654	6,643	7,309	
Wh. Cheer Mu.	14,281	13,210	5,344	
Wheeling	578	4,412	9,291	
Worcester, M. M.	125,293	177,130	146,811	
World F. & M.	59,658	43,116	62,251	
Yorkshire	.....	.....	.....	

## FOREIGN COMPANIES CAN NOT DEDUCT INCOME TAX

WASHINGTON, Oct. 17.—Income taxes imposed on foreign insurance companies doing business in the United States and paid to the government of Great Britain and Ireland were held by the United States Board of Tax Appeals not to be deductible under the revenue act of 1918. The decision was rendered in the case of the Ocean Accident & Guarantee, a British corporation with its head office in London, Eng., but with a

principal office for its operation in the United States located in New York City, against which deficiencies of \$129,430 had been assessed by the commissioner of internal revenue for 1918 and \$109,842 for 1920.

The board also ruled that interest on foreign government bonds owned by the company, a foreign corporation, is not income from sources within the United States.

## PLENTY OF BUSINESS FOR ALL IN AVIATION FIELD

The advent of the Aero Underwriters with its Aero Insurance and Aero Indemnity into the aviation field will not mean any readjustment of business in that line, aviation underwriters believe. They say that there is plenty of business for all the companies now engaged in writing aviation insurance and feel that the Barber & Baldwin companies will enable them to secure reinsurance at home instead of placing the bulk of the reinsurance abroad as is now the case.

Aviation insurance has been growing with leaps and bounds but the number of crashes in the past six months are far from pleasing to the companies. The loss ratio has been high. However, aviation underwriters believe that once the aviation business becomes stabilized, this condition will take a decided turn for the better. They are hoping that that will be soon.

## New Florida Commissioner

W. V. Knott, state auditor of Florida, has been appointed to succeed the late J. C. Luning as state treasurer and ex-officio insurance commissioner. Mr. Knott was state treasurer for eight years before Mr. Luning assumed the office in 1911. He will serve until a new treasurer is elected in November. Petitions are being circulated to place Mr. Knott's name on the regular Democratic ticket in the next election.

## Koop Heads Massachusetts F. &amp; M.

BOSTON, Oct. 17.—The Massachusetts Fire & Marine, at a meeting of the board of directors this week, elected William H. Koop president and a director, to succeed the late Charles G. Smith. Alexander R. Phillips and George E. Krech were elected vice-presidents.

Mr. Koop has been president of the Great American, which company controls the Massachusetts Fire & Marine, since last April, when Charles G. Smith resigned to become chairman of the board.

## Railway Fire Fighters Elect

F. R. Bradford of Boston, with the Boston & Maine Railroad, was made president of the Railway Fire Protection Association on the closing day of its three days' annual session in Cincinnati last week. E. Moore of the Canadian Pacific was made vice-president and R. R. Hackett of Baltimore, with the Baltimore & Ohio, secretary-treasurer. The board of directors in addition to the officers includes W. S. Topping of the Federal Bureau of Explosives, chairman; Walter Neely of the Norfolk & Western and E. A. Talcath of the Southern Pacific.

## Discuss Leasehold Insurance

DES MOINES, Oct. 17.—James P. Fellows, special agent for the farm department, Citizens and Hartford, led a discussion on "Leasehold Insurance" at this week's luncheon of the Iowa Blue Goose. He explained the details of the policy form and methods of writing such business and handling losses. Next week's meeting will take up "Use and Occupancy." Most Loyal Gander Asa C. Hall announced that the pond will hold initiation of new members and a dinner in Des Moines Nov. 9. He also announced that Otto Rasmussen, special agent for Ellis & Holland general agency, is back at his office following

several weeks' illness at a hospital in Iowa City.

## Arrange for Anniversary

NEWARK, N. J., Oct. 17.—Although the tenth anniversary of the creation of the New Jersey Special Agents' Association will not occur until May next, preparations for fittingly celebrating the event are already well under way. The affair will be held in this city. The principal speaker will be Dr. S. Parkes Cadman, the noted divine. An attendance of from four to five hundred insurance men and others less directly associated with the business, is anticipated. G. Stetcher of the Commercial Union is chairman of the committee on arrangements.

## Great American Mutual Dividend

COLUMBUS, O., Oct. 17.—W. C. Safford, state superintendent of insurance, this week mailed out a 6 percent dividend amounting to \$250,000, to claim holders against the Great American Mutual Indemnity of Mansfield. Another dividend may be distributed within 60 or 90 days. It is announced. The company's affairs are being wound up by the state and this was the first dividend. Of the 10,000 checks mailed, \$200,000 goes to policyholders and \$50,000 on merchandise claims.

## Miscellaneous Notes

The Security Insurance Agency of Cleveland has been incorporated by C. W. Thomas and others.

The Consolidated Insurance Agency at Columbus, O., has been incorporated by O. K. West, A. B. Rankin and others.

The Ohio Fire Prevention Association will make an inspection of Athens, Nov. 14 under the auspices of the local chamber of commerce.

Under the auspices of the local chamber of commerce, the Ohio Fire Prevention Association will make an inspection of Newcomerstown, Nov. 1.

At the invitation of the Civic and Commerce Association, the Minnesota State Fire Prevention Association will conduct an inspection of Bemidji, Oct. 31.

Frank M. Smalley, vice-president of the Glen Falls, has just completed a trip through Montana and will tour the Pacific Coast states before returning home.

Following requests from members of the Pacific Coast Association of Fire Chiefs, Guy C. Macdonald has resumed the editorship of the association's monthly publication, the "Pacific Coast Fire Chief."

## COMPANIES RAPIDLY TAKING TO AVIATION

(CONTINUED FROM PAGE 10)

buildings due to falling aircraft, but may enter this field in the future.

**Employers Fire.**—Is under consideration at the present time and hopes to announce decision in the near future.

**Fidelity-Phenix.**—Has never written aviation insurance other than damage to buildings due to falling aircraft, but may enter this field in the future.

**Firemen's, N. J.**—Is now considering the coverage and expects to write it through a pool in the next few months.

**First American.**—Has only written aircraft damage in the past, but may consider general aircraft line in the future.

**First Reinsurance.**—Has not yet written or reinsured aviation risks, but is considering entrance into this field within next few months.

**Glens Falls.**—Is planning to take up aviation insurance and expects to be writing the business in three months.

**Globe & Rutgers.**—Wrote some fire and collision insurance on airplanes in 1919 and 1920, but on account of the unfavorable experience has practically abandoned the class, the premiums for the past several years having been about nil.

**Guaranty Fire.**—Writes aircraft damage, having had satisfactory experience and being desirous of the business.

**Hanover.**—Is now considering the

coverage and expects to write it through a pool in the next few months.

**Home Fire, Ark.**—Together with the Home Accident, is just beginning to write full coverage aircraft insurance. The fire lines will never be written for more than 50 percent of the value of the plane. Liability limits will never be more than the standard 5/10,000 limits. The \$1,000 property damage will never be less than the \$250 deductible clause.

**Imperial.**—Covers property damage done by falling plane.

**Indemnity Mutual Marine.**—Not now writing aviation insurance except in a few special cases, but may enter the field in the near future.

**Independence.**—Together with the Independence Indemnity offers full coverage aviation insurance, underwritten through Barber & Baldwin. Has been writing the class since 1926, granting unlimited coverage and doing a huge business.

**Insurance Company of North America.**—Not actively engaged in this class of insurance at the present time, though a small business is written.

**W. H. McGee & Co.**—Underwriting office for the aviation business of the Transportation and Transportation Indemnity, which write a full line of aviation insurance. Entered the field a year ago, beginning to actively write business this year and writing an unlimited line of full coverage aviation business.

**Merchants Assurance.**—Wrote aviation business in 1919, but has since withdrawn.

**Merchants, R. I.**—Writes aircraft damage only, desiring this branch of the aviation business.

**Mercury.**—Since last year has been writing property damage and cargo insurance only.

**National Liberty.**—Wrote an extensive line of aircraft coverage immediately following the war, but has since practically withdrawn from the field, doing only a limited business on a few special risks at present.

**National Union.**—As a member of the United States Aviation Underwriters has just entered this field to offer a full line of aviation coverage, that office to do all the underwriting.

**New Jersey.**—Interested in the operations of the United States Aviation Underwriters through the membership of its associate, the Pacific Fire.

**North River.**—Writing a full line of aviation coverage through the office of the United States Aviation Underwriters, of which it is a member, just entering the field.

**Pacific Fire.**—Is a member of the United States Aviation Underwriters, writing a full line of aviation coverage. This pool of four fire and four casualty companies was just formed.

**Philadelphia F. & M.**—Not actively engaged in this field now, writing just a few special risks.

**Phoenix Assurance.**—Does not write the planes, but covers property damage done by a falling plane.

**Rhode Island.**—Writes aircraft damage only, desiring this portion of the aviation coverage.

**St. Paul F. & M.**—Last year began to write aircraft property damage and cargo insurance, with no limit to the coverage. Not certain as to future expansion in this field.

**Springfield F. & M.**—Has given



thought to the coverage, but as yet has made no plans for writing the class.

**Transportation.**—Together with its running mate, the Transportation Indemnity, writes a full coverage line of aviation insurance, William H. McGee & Co. doing the underwriting. All but life is written and limits are granted up to what is needed. Both direct and re-insurance business is accepted in this line.

**Travelers.**—The Travelers Fire has just entered the field, adding fire coverage to the aviation lines already written by the Travelers and the Travelers Indemnity since 1917. This offers a full coverage line, which the companies are aggressively seeking now. There is no limit on the various coverages, the full needs of the risks being cared for.

**United Firemen's.**—Does not write aircraft coverage, but insures damage done by falling of plane.

**United States Aviation Underwriters, Inc.**—New underwriting office, operating for a pool of eight companies, four fire and four casualty, and doing only aviation business, full coverage. The pool is called the United States Aircraft Insurance Group, the underwriting office being called the United States Aviation Underwriters. The companies now in the pool are the United States Fire, North River, Pacific, National Union, New York Indemnity, United States Fidelity & Guaranty, Maryland Casualty and New Amsterdam Casualty. Unlimited coverage, to the full needs of aircraft, is being issued by this pool, covering all of the fire and casualty, property and liability hazards.

**United States Fire.**—Operating as a member of the United States Aviation

Underwriters, it now writes a full line of aviation coverage.

**United States Merchants & Shippers.**—At present is not writing aviation insurance except in a few special cases, though it may enter the field in the near future.

**Western Assurance.**—Not writing direct, but its agents enjoy the facilities of other Crum & Forster companies.

#### OHIO TAX INCREASE FOR 1926 IS HELD ILLEGAL

(CONTINUED FROM PAGE 3)  
ance companies have paid the 2½ percent tax on 1926 premiums and have deposited in a Columbus bank the amount involved in the extra tax. If the Metropolitan Life wins in the Supreme Court this deposit will be returned to the companies, but if the Supreme Court upholds the tax on 1926 premiums the deposits will be paid over to the state.

#### Interruption of Business Operations

It is possible to determine the amount of loss a business will suffer from destruction of a part or all of its physical property. But it is impossible to determine the loss that will be caused by interruption of business operations. The only safeguard against interruption losses is use and occupancy insurance. The agent who does not expose his clients to use and occupancy coverage does them an injury and risks losing at the least one client and at the most the business prestige he has built in his community.

Don't go after a friend to make a sale—go after a sale to make a friend.

## Hotel Directory

### When in Lincoln Hotel Cornhusker 300 Rooms

Without Bath, \$1.50 and \$2 per Day.  
With Bath,  
\$2.50, \$3, \$3.50 and \$4 per Day.

### In Des Moines it's The CHAMBERLAIN Hotel

Most Centrally Located  
250 Fireproof Rooms

### BREVOORT HOTEL

Madison Street CHICAGO  
East of LaSalle  
Insurance Headquarters

Brevoort Hotel upholds  
worthily the best traditions of  
American hotels famed for  
hospitality.

### CEDAR RAPIDS, IA. HOTEL ROOSEVELT

Rates: Room without Bath with private Lavatories \$1.50 and up. Rooms with Bath, Shower or Tub \$2.50 and up.  
E. G. KILL, Mgr.

### A Personal Invitation



WE are proud that the Hotel Hollenden is known among the fraternity as "Insur-

ance Men's Headquarters in Cleveland." We appreciate your business fellows and we want all of you to be boosters for us. If we can do anything to make your stay with us more pleasant, just tell us what. We'll do it, if it's possible.

Sincerely,  
Theo. De Witt.

### In Cleveland-it's The HOLLENDEN

THEO. DE WITT, Manager  
Superior Avenue at East Sixth St.

### Hotel Russell-LamSon Waterloo, Iowa

300 Rooms Fireproof

### THE BELLEVUE-STRATFORD Philadelphia



The choice of discriminating Philadelphians and particular travelers.  
Famous for its courteous service and homelike environment.

Centrally located  
Broad at Walnut

J. M. ROBINSON, Manager

WALDORF-ASTORIA  
New York

NEW WILLARD  
Washington, D. C.

### UNEXCELLED CONVENTION FACILITIES

350 Rooms

Rates \$1.50 Upward  
One Block from All Railroads

### ST. NICHOLAS SPRINGFIELD, ILL.



When new addition is completed

### The Ambassador

Los Angeles

No Hotel in the World Offers More Varied Attractions  
Superb 27-acre park, with miniature golf course, open-air plunge and tennis courts. Riding, hunting and all sports, including 18-hole Rancho Golf Club. Motion Picture theater and 35 smart shops within the hotel. Famous Cocosnut Grove for dancing nightly.

Write for Chef's Cook Book of California Recipes and Information.  
Ben L. Frank, Manager

5-1a

### Two Squares from Chicago's Insurance Center

### Great Northern Hotel

Dearborn Street from  
Jackson to Quincy  
CHICAGO

The "Comfortable Great Northern" is in Chicago's central business section, within one block of State Street, the great shopping thoroughfare, and close to the theater, financial and wholesale districts.

400 Large, Bright, Livable Rooms, \$2.50, \$3, \$3.50, \$4, \$5, and a few extra large corner rooms at slightly higher prices. For two persons in any room the additional cost is only \$1 a day. No extra charge over main restau-



rant prices for service of meals in guest rooms.

Garage near. Guests' cars delivered without service charge.

## THE NATIONAL UNDERWRITER

Formerly THE WESTERN UNDERWRITER

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### National Act Not Needed

Stock company men fail to understand the action taken at the annual convention of the NATIONAL ASSOCIATION OF MUTUAL INSURANCE COMPANIES at Milwaukee in favoring the enactment of a national arson law. The investigation of suspicious fires is a function of state and municipal authorities, save where federal property is concerned, and is a right which would not be surrendered to the national government. Fifteen separate states have now adopted the model arson law as advocated by the FIRE MARSHALS ASSOCIATION of North America. The measure is likely to be enacted in still other commonwealths. Eventually, it is hoped all states will favor the law.

The crime of arson is one that is being closely followed now. Public officers appreciate its seriousness more than ever before and are lending efficient aid in detect-

ing those guilty of it. The vigor with which suspicious claims have been investigated, during the past two years notably, has unquestionably been a potent influence in reducing the loss record of the country. Adjusters are delving far more critically into the moral aspect of losses than ever before, conscious that if they are negligent in such direction conditions may be disclosed by other parties that will expose their shortcomings.

On the other hand parties inclined to have "friendly fires" realize that before they are able to collect from the interested insurance companies they must show a complete record of their business transactions, and that these will undergo the strictest scrutiny. As a result they are cautious and hesitate a long time before deciding to take the chance of having the searchlight turned upon their affairs.

### Possibilities in Identification Certificate

If the fire and casualty men will be as enthusiastic in backing up the automobile identification certificates as they are in circulating them, they will be doing the one thing by which the competition of irresponsible reciprocals can be checked.

It means a lot of work, possibly a lot of expense, without direct returns. Ordinarily, when trouble comes to a policyholder in his own town he never thinks of calling on his company or its local agency for assistance. He goes through the necessary formalities if arrested and in securing bail. He has no more concern in the agency carrying his policy than to notify it of the fire, theft, collision, property damage, liability, whatever the trouble may be, according to his policy coverage.

If he is on the road and falls into trouble, he's going to depend on the auto certificate to help him out. He'll find more or less difficulty in digging up an agency of the company in which he

is insured, as telephone and city directories do not always furnish that information. Most of the big stock companies are listed but it is almost impossible at times for even an insurance man to locate a company agent unless he has a NATIONAL UNDERWRITER hand book for that state.

After the problem has been solved, the next step is to ascertain whether the agency is a member of the state association and of the national body. This will very often not be easy, as the latter has only some 10,000 members in the entire country while there are possibly 100,000 agencies.

It is evidently up to local boards and local agents to make the identification certificate a business producer and a beneficence in one. It might easily become a source of dissatisfaction and disappointment to insured travelers depending upon an ineffective promise made by the imaginative agent issuing the certificate.

### What the Dreamer Does

SOMETIMES the dreamer is criticised. The man who continually dreams and never executes of course is a visionary. But it is the dreamer of dreams and

the man who has vision that accomplishes something. Nothing is done unless it has been well thought out in advance.

## PERSONAL SIDE OF THE BUSINESS

Mrs. Mary Isobel Dial Scruggs, mother of Gross R. Scruggs, general agent at Dallas, died last week in New York city, where she had been living with her daughter. Mrs. Scruggs was prominent in Dallas during her lifetime, being allied with every move of benevolent and charitable societies as well as literary and civic orders.

E. H. Mulock, widely known Des Moines local agent, has practically recovered from injuries received when an automobile he was driving was wrecked in a collision with a freight train near Valley Junction. Mr. Mulock was badly cut and bruised in the crash. The automobile was demolished.

John M. Turnbull of Utica, one of the oldest insurance agents in New York State, died at his home there of the infirmities of age. He went to Utica in 1870 and was employed by his brother, James B. Turnbull, in the insurance business. He joined his brother as partner Jan. 1, 1873, and remained in that field till he retired two years ago. Byron E. and James B., Jr., the sons, continue the organization under the original name of J. B. and J. M. Turnbull.

Mr. Turnbull was the oldest living agent of the Agricultural and one of the oldest in any company in the state. In October, 1920, when he had served as agent half a century, he was feted by officers of the Agricultural.

John W. Brooks, formerly well known fire insurance man of the west, who at one time was assistant western manager of the Delaware, Reliance and Rochester German, has presented the painting, "Samson and Deliah," by M. Jakine, to the public library of his old home town, Boscobel, Wis. The picture was painted in the City of Mexico in 1868 and has hung in Collector Schwabe's local office in Los Angeles for 10 years. The artist gave big promise of his ability and went to Los Angeles in 1870 as a young man. He died the following year. This particular painting has attracted considerable attention. Mr. Brooks has been located at Los Angeles for the last few years and is now engaged in acting as an intermediary in insurance transactions.

J. B. Robinson, Michigan state agent for the Rhode Island group, is recovering at his home in Detroit from injuries received in an automobile accident near Benton Harbor, Mich.

In company with O. F. Merbitz of the Crum & Forster fleet, Mr. Robinson was on the way to Benton Harbor. At Hauser's Corner another machine ran into Mr. Merbitz's car. The machine turned over several times, breaking Mr. Robinson's rib and collar bone and bruising him badly. Mr. Merbitz escaped with a bad shaking up. Mr. Robinson was confined in a Benton Harbor hospital for 10 days before being taken back to Detroit. He expects to be out within a couple of weeks.

George W. Wells, who severed his connection with the Minnesota insurance department Monday to take up his new duties as secretary of the Northwestern National Life of Minneapolis, was presented with a Shrine pin by members of the insurance office staff. Garfield W. Brown is the new commissioner.

John A. Thomas and Mrs. Maude R. Jones were married in St. Louis, Oct. 4, and went at once to Kansas City, Mo., where they will make their home. Mr. Thomas is state agent for the Norwich Union for Kansas and Nebraska.

C. R. McCabe, Jr., of McCabe & Hengle, Chicago local agents, returned

this week from a 30-day hunting trip in the Canadian Rockies, about 200 miles north of Jasper National Park. His trip was eminently successful, as he secured every variety of game allowed by law, including moose, caribou, two mountain goats, mountain sheep, deer and grizzly bear.

Jacob P. Swigart, Illinois state agent of the Michigan Fire & Marine, can prove it to you that romance has not gone out of the world. Twenty-five years ago he came to the United States from Holland. He married a Dutch girl and established a home. Two and a half years ago his wife died, and gave it as her dying wish that if Mr. Swigart ever again thought in terms of his native land he should think of her sister, and having corresponded with the sister in accordance with his wife's wish, he continued to do so. A few days ago the young woman, Johanna Baan, with whom he had corresponded for so long stepped off a boat in New York. Mr. Swigart met her there, and she is soon to be Mrs. Swigart. Miss Baan is a native of Rotterdam, in which city she had a position in the municipal administration offices.

George Ellery Crosby, superintendent of publicity for the Aetna Fire, died very suddenly on the evening of Oct. 11 at his home in Windsor, Conn., a suburb of Hartford. He had attended the Insurance Advertising Conference at Washington, D. C., the week previous and there was confined to his room some of the time due to a cold contracted. On returning home he suffered a collapse but was apparently recovering when after dictating some letters from his home his condition became alarming. The immediate cause was an embolism.

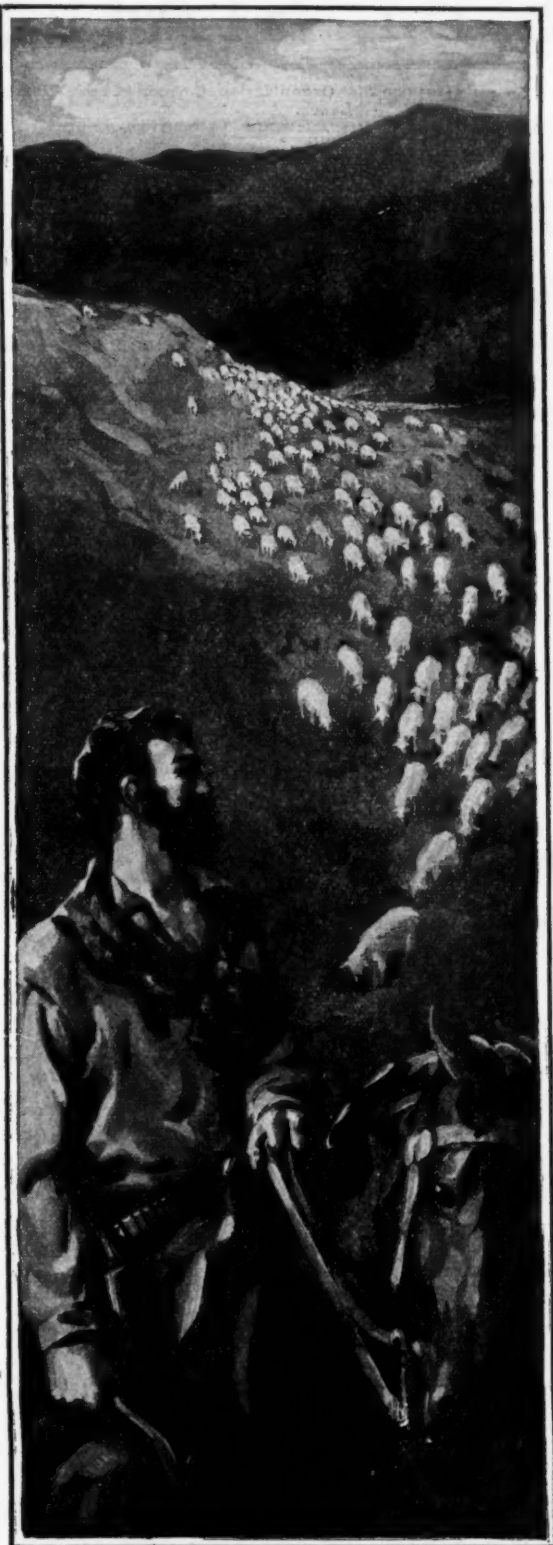
His death comes as an intense shock to all his friends. He was a most conscientious worker and an inspiration as a self-made advertising man of ability. He had been with the Aetna Fire 30 years. For years he was an examiner but also indicated his interest in publicity. Outside of his daily work he engaged in literary pursuits, having been the editor of "The Windsor Town Crier." He was later a director of the Windsor "Herald."

He was president of the Windsor Chamber of Commerce for two years and most active on all school and civic committees. He was born in Hartford Dec. 3, 1877. He is survived by his wife and two brothers. Mr. Crosby's first wife died and in 1926 he married again.

He took a prominent part in the Insurance Advertising conference. He served as secretary the past year and was re-elected at the Washington meeting.

Following his election as secretary of the Insurance Advertising Conference, which post he assumed in January of this year, he gave a great deal of time and effort to the organization. It was on his recommendation that the convention was held in Washington, D. C. He was placed in charge of the general arrangements for that meeting. In addition a short time before the convention he took over the task of making up the program, securing the speakers and disposing of other details connected with the work of the meeting, as the chairman previously chosen for that duty resigned. The whole convention depended on getting a program together quickly. Mr. Crosby's work for the conference was done largely after office hours so that when the time for the meeting arrived he reached Washington very much exhausted. He did his part in making the Sunday evening get-together party an enjoyable one. He retired late and was unable to leave his bed again during the convention.





## INSURANCE IN INDUSTRY



IT is a far cry from the grazing slopes of the West to a bridle path through some Eastern park. Far from the virgin wool to the modish riding habit. To clothing of all sorts, blankets, and woolen products too numerous to mention. The route between is one of manufacturing processes, of storing, of shipping, of buying and selling. It is a route too of HAZARDS. Of fires, windstorms, water damage, and risks of transportation. Another American industry calls to Insurance for protection against threatening hazards. And strong stock fire insurance companies like the American Eagle respond with the soundest of insurance indemnity.



**AMERICAN EAGLE  
FIRE INSURANCE COMPANY**  
EIGHTY MAIDEN LANE, NEW YORK, N.Y.



ERNEST STURM, Chairman of the Board.  
PAUL L. HAID, President.



**CASH CAPITAL—ONE MILLION DOLLARS**

NEW YORK

CHICAGO

SAN FRANCISCO

DALLAS

# FIRE INSURANCE NEWS BY STATES

## OHIO AND WEST VIRGINIA

### FIND KEENER COMPETITION

#### Excess Commission Companies Making Inroads in Some of Older Ohio Agencies

Ohio special agents are finding keener competition in the older established agencies from excess commission companies. In one or two cases at least, the agent has frankly notified the special agents that he is taking in enough excess commission companies to take care of nearly all his business. How this competition is to be met is a principal topic of discussion. It is suggested that use of contingent commissions offers the best method for holding the business.

It is more than ever necessary today for the special agent to keep in the closest touch with his agencies. Otherwise he may find that steps have been taken which will eventually result in loss of most of his business before he has an opportunity to take any protective steps. Where he can learn beforehand the direction of an agent's purpose, he has the chance to offer something which may result in holding the business for his employers.

It is predicted that another effect of competition from the new companies and from those who are offering excess commissions will be a severe testing of special agency timber in the state. It is in the present situation that the old and seasoned veteran is expected to show the value of wide and close acquaintance, both with agents and with the business. The weak special agent is likely to find the going hard.

#### Cincinnati Fire Prevention Week

CINCINNATI, Oct. 17.—While Cincinnati makes its fire prevention work continuous, there was unusual intensity in the work done during Fire Prevention

Week. T. Alfred Fleming of the National Board was in the city for two days. He addressed a mass meeting of business men Tuesday noon at the chamber of commerce. J. J. Conway, superintendent of the Cincinnati Salvage Corps, presided. He introduced Mayor Murray Seasongood and Mayor Baker of Norwood. Mayor Seasongood praised the work which the Chamber of Commerce, the fire department and other interested groups had done for fire safety in Cincinnati. Captain Conway then called upon Howard Wilson of the Chamber of Commerce to give a report on work which had been done. After Mr. Fleming had addressed this noonday meeting, he accompanied Captain Conway to one of the public schools. In the evening he was the principal speaker at a meeting of building owners and managers and real estate operators.

One of the largest fire prevention meetings attended by business men in Cincinnati was addressed by Mr. Fleming Wednesday when 425 Rotarians were present for the luncheon. After addressing the Rotarians, Mr. Fleming addressed children in another public school during the afternoon.

#### Inspection of Marietta

The Ohio State Fire Prevention Association conducted an inspection in Marietta last Thursday. Excellent meetings were held at noon and at night. Capt. W. S. Winnard of the Ohio Inspection Bureau addressed the Marietta Rotary Club at noon and the chamber of commerce in the evening.

#### Conway Speaks at Dayton

J. J. Conway, superintendent of the Cincinnati Salvage Corps, was the principal speaker at a meeting of the luncheon clubs of Dayton last week. The Dayton city government was active in calling fire prevention to the attention of its citizens. A special fire plug poster, designed to be placed on a fire plug, was distributed throughout the city. This poster read, "Don't Give It a Chance and You Won't Need Me."

num is understood to be set at \$1,000,000.

### STATE BOARD HAS MEETING

#### Illinois Body Discusses Clearance of Agencies at Its Quarterly Gathering in Peoria

The Illinois State Board held its quarterly meeting at Peoria last week, President T. W. Underwood presiding. This was Mr. Underwood's first meeting after having been elected head of the organization and he impressed all with his ability as a presiding officer. The main subject before the meeting was the clearance of agencies. It was found that there are a number of agencies in the state that are posing as Union offices but are supposed to have Western Insurance Bureau or non-affiliated associations. Some of them were supposed to have indirect connection with other offices and were not entirely clear. It was decided to investigate all these agencies and get as many as possible on a clear Union basis.

E. D. Smith of the Niagara and Norman A. Young of the National of Hartford were elected to membership.

### DETROIT MEN PLAN SCHOOL

#### President Doyle Tells of Plans for Aiding Members and Their Employes

DETROIT, Oct. 17.—It is believed that a precedent will be established when the Detroit Association of Insurance Agents opens its insurance school for members and their employes within a few weeks.

The announcement of the new school was made this past week by President William A. Doyle. "I believe this is the first time that a local organization has attempted such a school," Mr. Doyle said. "My associates and myself have been working on the idea for several months. It was crystallized at our last meeting and we are looking forward to an initial enrollment of between 100 and 200 persons."

It is planned to hold the school meeting once each week. Members of the local associations who are specialists in some particular branch of insurance work will serve as instructors. The meetings will start at 6 p. m. with a dinner and be followed by the lecture. Only one subject will be taken up at each meeting and every branch of insurance except life will be considered. Lectures and demonstration on detailed work, such as policy application, filing, instructions on manuals, office work and other phases of the insurance business will be given.

### ANNOUNCE ILLINOIS PROGRAM

#### Full List of Speakers and Topics for Agents' Meeting at Springfield Given Out

The completed program for the annual meeting of the Illinois Association of Insurance Agents to be held at the Hotel Leland, Springfield, Ill., Nov. 1, was announced this week as follows:

##### Morning Session

Call to Order—J. M. Newburger, President.  
Address of Welcome—R. W. Troxell.  
Response—W. A. Schneider.  
President's Address—J. M. Newburger.  
Secretary-Treasurer's Report—S. E. Moisant.  
Appointment of Committees.  
Committee Reports:  
Executive Committee, J. C. Robertson.

Organization Committee, Harry J. Leach.

Grievance Committee, George North Taylor.

Legislative Committee, R. C. Sherman.  
Fire Prevention Committee, Allen Murphy.

Farm Committee, E. F. Prideaux.

Introduction of R. P. DeVan, president National Association of Insurance Agents.

Address—New Agency Profits in Personal Coverages, L. D. Edson, accident superintendent Zurich General Accident & Liability, Chicago.

Address—Aviation Insurance, Edward D. Lawson, western manager William H. McGee & Co., Chicago.

##### Afternoon

Report of Committee on Resolutions.

Report of Committee on Nominations.

Discussion—Surety Development, Led by John G. Yost, assistant secretary Fidelity & Deposit.

Address—Problems Confronting the Local Agent, Harold M. O'Brien, president Chicago Fire & Marine.

Address—Selling and Servicing Workmen's Compensation Insurance, E. Irving Flery, Bowes & Co., Chicago.

Address—Automatic Sprinklers, E. J. Phillips, vice-president Phillips Company, Chicago.

Address—Salesmanship in Its Application to Insurance, Dwight Ingram, Griffin, Ingram & Pfaff, Chicago.

##### Banquet—6:30 P. M.

Toastmaster, C. M. Cartwright, managing editor, The National Underwriter.

"Goodfellowship," John F. Stafford, western manager Sun.

"The National Association," R. P. DeVan, president National Association of Insurance Agents, Charleston, W. Va.

"Cooperation," H. E. Soble, attorney, Soble, Moses, Kennedy, Stein & Bachrach, Chicago.

"Seventy Times Seven, a Story About Capturing Attention," J. W. Longnecker, advertising manager Hartford Fire.

#### Camlin and Moisant Renominated

The nominating committee of the Illinois Chamber of Commerce has recommended John H. Camlin, well known local agent at Rockford, Ill., for one of the directors for district No. 4, and Shirley E. Moisant, secretary of the Illinois Association of Insurance Agents at Kankakee, Ill., for district No. 5. Both have served as directors in times past, Mr. Camlin having been president of the Illinois chamber for the last two years.

#### Seek Elimination of Hazards

DETROIT, Oct. 17.—Detroit celebrated Fire Prevention Week by appealing to its citizens to eliminate fire hazards in homes, industrial plants and office buildings.

As part of the campaign, Gabe S. Goldwater, state fire commissioner, and other officials addressed citizens through a series of radio talks of brief duration. The department's 20 inspectors made every effort to obtain space on bulletin boards of factories and industrial plants throughout the city where the attention of workmen could be called to definite fire hazards within the plants. The commission reported excellent cooperation from factory managements who gave every assistance in the cause.

#### Attend Fire Chiefs' Convention

DETROIT, Oct. 17.—A delegation of city officials and those interested in fire prevention left Detroit Monday night to attend the annual convention of the International Association of Fire Chiefs in Philadelphia.

The delegation was headed by City Chief Stephen DeMay and Chief Edward Rumsey, who is in charge of the local department's apparatus bureau. Others in the party included Fire Commissioner C. Hayward Murphy, George Morley of the fire prevention commission, Standish Backus, president of the Burroughs Adding Machine Company, and Paxton Mendelssohn.

#### Detroit Firebug Convicted

DETROIT, Oct. 17.—Morris Coleman, 50 years old, known as "Detroit's pro-

## CENTRAL WESTERN STATES

### COURT ALLOWS A REHEARING

#### Decision Against Company Under Provision of Michigan Statute Will Be Reconsidered

LANSING, MICH., Oct. 17.—Rehearing has been allowed by the Michigan Supreme Court in the case of the estate of Janet Kneeling vs. Northern of New York. The company rejected the claim on the ground of the policy provision against vacancy. The supreme court had once decided the case against the company because of the following provision in the law of Michigan: "No policy of fire insurance shall hereafter be declared void by the insurer for the breach of any condition of the policy if the insurer has not been injured by such breach, or where loss has not occurred during such breach, and by reason of such breach of condition."

In his brief asking for the rehearing, Henry C. Walters, attorney for the company, contended that the court misinterpreted the legislature's intent, or, if the interpretation was correct, the act is unconstitutional in that it constitutes deprivation of property without due process of law.

The Lincoln Fire of New York has been licensed in Canada.

### MICHIGAN FUND MAKES LEVY

#### Number of Fires Occur Since Reinstatement Last July—Deficit Unofficially Reported

LANSING, MICH., Oct. 17.—Levy has just been made by the state administrative board of \$100,000 against departments and institutions participating in the revived state fire fund. A number of fires have recently destroyed considerable state property and it is taken for granted that the action at this time is in anticipation of demands upon the fund. The fund at the present time is understood to be "in the red" but to what extent depends upon the official figures used.

The state fund, after a lapse of some seven years, was reinstated by the present administration last July. At that time it was suggested that at least part of the huge sum transferred from the fire fund to the general fund following the former's abandonment be retransferred to the credit of the insurance fund, but the suggestion was apparently not accepted by the state board at the time. An effort is evidently to be made to create a working balance through the assessment plan. State property was rated some time ago and a flat rate determined. The fund, at the time contributions were halted before, totaled about \$750,000 and the present maxi-



## LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

NEAL BASSETT, President  
A. H. HASSINGER, Vice President

JOHN KAY, Vice President and Treasurer  
WELLS T. BASSETT, Vice President

### JANUARY 1ST, 1928, STATEMENTS

#### ORGANIZED 1855 FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

ASSETS	LIABILITIES	CAPITAL	NET SURPLUS	SURPLUS POLICYHOLDERS
\$40,000,136.83	\$19,459,279.01	\$7,500,000.00	\$13,040,857.82	\$20,540,857.82

#### ORGANIZED 1853 THE GIRARD F. & M. INSURANCE COMPANY OF PHILADELPHIA, PA.

\$6,000,966.28	\$2,930,594.84	\$1,000,000.00	\$2,070,371.44	\$3,070,371.44
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#### ORGANIZED 1854 MECHANICS INSURANCE CO. OF PHILADELPHIA, PA.

\$4,828,245.29	\$2,820,808.68	\$600,000.00	\$1,407,436.61	\$2,007,436.61
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#### ORGANIZED 1866 NATIONAL-BEN FRANKLIN FIRE INS. CO. OF PITTSBURGH, PA.

\$4,907,721.63	\$2,557,216.60	\$1,000,000.00	\$1,350,505.03	\$2,350,505.03
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#### ORGANIZED 1871 SUPERIOR FIRE INSURANCE CO. OF PITTSBURGH, PA.

\$4,835,369.35	\$2,520,317.56	\$1,000,000.00	\$1,315,051.79	\$2,315,051.79
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#### ORGANIZED 1870 CONCORDIA FIRE INSURANCE CO. OF MILWAUKEE, WIS.

\$5,250,424.26	\$2,567,447.92	\$1,000,000.00	\$1,682,976.34	\$2,682,976.34
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#### ORGANIZED 1886 CAPITAL FIRE INSURANCE CO. OF CONCORD, N. H.

\$760,298.04	\$375.00	\$300,000.00	\$459,923.04	\$759,923.04
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TOTAL OF ASSETS  
**\$66,583,161.68**

TOTAL OF LIABILITIES  
**\$32,856,039.61**

TOTAL NET PREMIUMS  
**\$25,684,495.78**

**WESTERN DEPARTMENT**  
844 Rush Street  
Chicago, Illinois

H. A. CLARK, Manager  
Assistant Managers  
H. R. M. SMITH  
JAMES SMITH JOHN R. COONEY

**EASTERN DEPARTMENT**  
10 Park Place  
NEWARK, NEW JERSEY

CANADIAN DEPARTMENT  
461-467 Bay Street  
TORONTO, CANADA  
MASSIE & RENWICK, Limited,  
Managers

**PACIFIC DEPARTMENT**  
60 Sansome Street  
San Francisco, California  
W. W. & E. G. POTTER,  
Managers

## LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

# HANOVER

## HIGHWAY

### Values

The Business world has developed a keen sense of values.

It is not the cost of a commodity that counts—but its real value — "its service per dollar."

Good Insurance is never cheap — likewise Cheap Insurance is never good.

## FIRE INSURANCE CO.

NEW YORK

## THE EAST AND WEST

### INSURANCE COMPANY OF NEW HAVEN

#### CONNECTICUT

Do you need in your Agency a Company capable of understanding your needs, one willing to help work out your fire insurance problems?

Do you want in your Agency a Company that pursues a stable and consistent underwriting policy year after year?

The East and West is such a Company. It is a valuable addition to any Agency.

*Owned by and under the Management of*  
**Security Insurance Company of New Haven**

Western Department  
**ROCKFORD, ILLINOIS**  
Walter D. Williams, Manager

professional firebug," was convicted of arson in recorder's court here last week. Prosecutor Toms announced that his office would attempt to bring information before Judge Van Zile next week which would make it possible to sentence Coleman under a fourth offense. Under Michigan's new felony law, Coleman, if convicted as a fourth felony offender, would be sentenced to life imprisonment. If information is not available, Judge Van Zile will sentence him for the current offense alone, the prosecutor said.

The jury was out but 13 minutes to find a guilty verdict against Coleman for setting the blaze which wrecked a lingerie shop at 10216 Dexter boulevard

Sept. 23. Coleman had denied connection with the fire.

The trial held particular interest for insurance men because of Coleman's reputation. Members of the police arson squad say Coleman has "more than 200 jobs" to his credit in Detroit and Michigan. He had been sentenced several times on arson charges, and had been released on parole a few weeks before his capture.

Harry Bernard, president of the Lloyd's Department Store in East St. Louis, Ill., has been released on \$10,000 bond to answer an indictment charging him with arson. The indictment grew out of a fire in the department store July 4 last.

## STATES OF THE NORTHWEST

### WISCONSIN BLUE GOOSE MEET

**Resumes Luncheon Meetings at Milwaukee—Walter Atwater Tells of Organization's Early Days**

MILWAUKEE, Oct. 17.—The Wisconsin Blue Goose resumed its Monday-morning luncheon meetings this week, with an attendance of 55 ganders. The meeting was in charge of Bert F. Lutz and consisted of a business session. Six guards were elected for the ensuing year. They are Mr. Lutz, E. L. Sternberg, William I. Gillen, George E. Schweers, and F. F. Henze.

Walter Atwater, one of the founders of the Blue Goose, who recently returned to the Wisconsin field after an absence of several years from the insurance business, was called on by Most Loyal Gander R. T. Gravenstine. Mr. Atwater reminisced on the early days of Blue Goosedom and told an interesting story of the brass band that the ganders formed in the early days when they went down to Chicago to take in 169 goslings for the Illinois pond.

He touched on the charitable work the Blue Goose did in the early days in Wisconsin and the financial help it gave to ganders who were temporarily in trouble. This work, he said, showed the true spirit of the Blue Goose. The ganders aided their fellows in securing positions and did other things of a nature which brought everyone into intimate contact and made them feel that the Blue Goose was something more than just "another organization" to which they belonged.

### COMPANIES WILL ACCEPT MINNESOTA RATE SLASH

ST. PAUL, Oct. 17.—Insurance companies will not protest the decision of Commissioner Wells, setting aside the dwelling schedules put into effect last June by the General Inspection Bureau. This was announced by Charles J. Lund, manager of the bureau, following the decision of Mr. Wells.

New schedules are now being prepared to conform to those ordered by the commissioner and these are expected to be filed with agents in a short time.

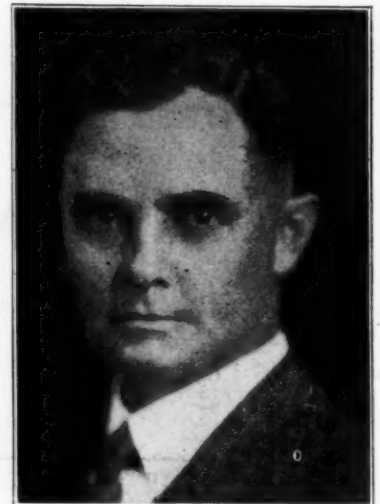
### INSURANCE DIRECTORY FOR WISCONSIN ISSUED

The new directory for Wisconsin has been issued by THE NATIONAL UNDERWRITER. This directory shows all the licensed companies as well as the local mutuals with their representatives, financial standing, officers and addresses. There is also a complete list of agents arranged by cities and towns showing the companies represented, lists of state and special agents of fire companies, general agents of fire and casualty companies, adjusters and all the organizations and all insurance interests interested in Wisconsin insurance business. Copies of this book may be secured through the offices of THE NATIONAL UNDERWRITER, 420 East Fourth Street, Cincinnati, O., at the regular rate of \$7.50 per copy.

### BOARD OFFICERS REELECTED

**Fred J. Lewis Again Heads Milwaukee Organization—Now Have 279 Agent Membership**

MILWAUKEE, Oct. 17.—Fred J. Lewis of the George H. Russell Company was reelected president of the Milwaukee Board for a third consecutive



**FRED J. LEWIS**  
Reelected President Milwaukee Board

term at the annual meeting. Monroe Porth of E. Porth & Sons, vice-president; Emil P. Hunkel, secretary and William Lynch of the Blatz-Kasten Company, treasurer, were all reelected. Three directors elected are Otto A. Braun, Henry Eckstein and Otto A. Kremers.

Mr. Lewis' annual report made at the meeting stated that there are now 194 agencies in the board and the agent membership now stands at 279, a net increase over last year of eight members. Solicitors now number 508, a net increase of 20 over a year ago.

He commended the retiring patrol committee, Benjamin Weil, Robert Pitelkow and Carl P. Dietz, for the material progress made in improvement of the fire insurance patrol, which is now equipped with three new modern patrols.

### HAIL FUND HAS WORST YEAR

**Losses in North Dakota Break All Records—Assessments Increased In All Districts**

BISMARCK, N. D., Oct. 17.—The year 1928 was the most disastrous in the history of the North Dakota hail insurance department, according to Martin S. Hagen, manager of the department, who has just announced the hail indemnity rates for 1928.

The total indemnity to be paid by the department this year is \$3,867,263 on 6,646,761 acres, an average loss ratio



of 8 percent on the total risk of \$48,340,800.

Last year the department paid \$3,274,559 on 7,770,000 acres insured for \$47,190,987. Reduction of the acreage this year as compared with last, Mr. Hagen said, was due to the poor crop prospects early in the growing season and hundreds of thousands of acres were re-insured when the crop prospects improved.

In 1921, with 11,000,000 acres insured for \$85,000,000, the loss ratio was 5.6 percent and in 1923, the worst year in the department's history, with 7,764,800 acres insured for \$55,386,800 the loss ratio was 8.1 percent.

In District No. 1 the rate is 43 cents an acre with 18 cents additional for the additional protection of \$3 an acre. District No. 2 will pay 51 cents for \$7 insurance per acre and 22 cents per acre for the additional insurance of \$3. In the third district the levy is 60 cents and 26 additional. In the fourth district the assessment will be 69 cents and 29 cents additional.

Last year the rates for the respective districts were 34, 41, 47 and 54 cents per acre, respectively, for \$7 insurance per acre.

#### Change Wisconsin Program

MILWAUKEE, Oct. 17.—A change in speakers has been announced for Wisconsin's Insurance Day, according to Henry Tyrrell, chairman of the program committee.

Edward C. Lunt, vice-president of the Great American Indemnity, will take the place of Jesse S. Phillips, president of that company, on the program. Mr. Phillips found it impossible to be in Milwaukee on Oct. 24, for the insurance day. Mr. Lunt is one of the outstanding authorities on surety underwriting in America, and will ably take the place of Mr. Phillips.

George A. Jacobs of the Citizens' Mutual Fire, Janesville, Wis., will represent the mutual insurance interests on the program. Mr. Jacobs will take up legislative activities.

#### New Commissioner Is Speaker

MINNEAPOLIS, Oct. 17.—Garfield W. Brown, newly named insurance commissioner of Minnesota, made his first public appearance as commissioner at a meeting of the Insurance Club of Minneapolis Tuesday, Oct. 16.

This was the first meeting this fall of the club and the appearance of Mr. Brown brought out a large attendance.

#### Backfire Causes Damage

Two serious farm fire losses occurred in Wisconsin last week with a \$50,000 loss in Manitowoc county, and a \$10,000 one near Chippewa Falls. The fire in

Manitowoc county was the most destructive blaze in years. It destroyed dwellings, barns, sheds, machinery and crops on two farms. Back-fire from a tractor in use for silo filling on one of the farms started the blaze.

#### Make Strict Fire Inspections

MILWAUKEE, Oct. 17.—Rubbish and oily rags constituted the largest number of fire hazards uncovered in building inspections by the Milwaukee fire department prevention bureau in 1927, according to the fire prevention section of the Milwaukee Association of Commerce. The bureau made 400,667 inspections, finding only 9,148 defects or 2 percent. Of the defects uncovered, 97 percent or 8,828 were remedied. Reinspections, made to determine whether these fire hazards were remedied, totaled 12,743. Where they were not remedied at second inspection, a warrant for arrest was sworn out. Special inspections were made of all dance halls and theaters.

#### Inspections Reduce Hazards

MILWAUKEE, Oct. 17.—Fire hazards in cities throughout Wisconsin have been considerably improved as the result of the rigid enforcement of building laws brought about by careful electrical inspection, John B. Wilkinson, president of the western section of the International Association of Electrical Inspectors, pointed out at the annual meeting of the section in Milwaukee last week. Mr. Wilkinson is a member of the staff of the Wisconsin Inspection Bureau.

#### Transfer Bureau's Staff

MILWAUKEE, Oct. 17.—Two members of the staff of the Wisconsin Inspection Bureau in branch offices have been transferred. R. C. Raisbeck goes from the Oshkosh branch office to Wausau, and E. J. Terry from Wausau to Oshkosh.

#### Addresses Rotary Club

Roy L. Nicholson, state agent in Wisconsin for the Michigan Fire & Marine, addressed the Rotary club of Sheboygan, Wis., Oct. 15, on "What Is a Fire Insurance Policy?" He explained points about the contract which the average business man does not know.

#### Dakota Notes

The Union Light, Heat & Power Company won first place in the window display contest conducted by the Fargo Fire Insurance Agents Association as a feature of Fire Prevention Week.

No clues as to the identity of the person or persons thought to have set fire to the wheat stacks on the Johannes Gramm farm near Beulah, N. D., have been found by State Fire Marshal Pepke, who investigated the fire. Eight stacks of wheat were destroyed by the blaze, which is thought to have been of incendiary origin because a coil of fuse was found near the edge of one of the burning stacks.

## IN THE MISSOURI VALLEY

#### FIELD MEN ARRANGE PROGRAM

Central Kansas Club Announces Speakers for Weekly Meetings During Next Two Months

WICHITA, KAN., Oct. 17.—Programs for the remaining meetings this year of the Central Kansas Field Men's Club were announced at the meeting this week by Harry B. Brown of the Northwestern National, chairman of the program committee:

Oct. 22, "Automobile Tornado, Hail and Collision Coverages" will be discussed by Carl Bailey, Westchester. Oct. 29, "Automobile Public Liability and Property Damage Coverage by the Individual," Willard Quinn, Kansas Underwriters. Nov. 5, "Dealers and Commercial Auto Liability and Property Damage," also by Mr. Quinn. Nov. 12, "Dealers' Auto Fire and Theft Coverage," R. B. Wentworth, St. Paul F. & M. Nov. 19, "Use and Occupancy and Consequential Loss and Damage," Col.

Sam F. Woolard, American Central. Nov. 26, "Increasing Agency Volume," J. F. Snyder, St. Paul F. & M. Dec. 3, "The Make-Up of Fire Rates," H. A. Blinn, Branch Manager of the Kansas Inspection Bureau.

#### To Discuss Mutual Competition

Dec. 10, "Mutual and Reciprocal Competition in Auto and Fire Business," Harry B. Brown, Northwestern National. Dec. 17, "Credit and Collections," M. E. Garrison, manager of local credit men's association. Dec. 24, Good-fellowship meeting. Dec. 31, "My Work for 1929," to be filled.

President Austin Stone called for reports from other committees and all reported progress. A party of the Kansas Blue Goose which is to be held in Topeka, Dec. 6, was announced and members of the club invited to attend. George M. Montgomery, manager of the Wichita office of the Western Adjustment, discussed "Auto Collision Coverage and Adjustments" before the 20 members present, pointing out the difference in collision contracts of the dif-

## Add to Your Profits from Fire and Casualty by Taking on a Splendid Life Line

THE Largest Mixed Insurance Company in the World recently Established a Life Department. There is a Pronounced Trend in that Direction. Agencies are adding Life to Fire, Casualty, Surety, etc. You, too, may Enlarge your Profits without Increasing Fixed Costs.

The most Satisfactory Life Contract Available is that of the Columbus Mutual—the Company which 20 years ago Eliminated Middlemen and Diverted the Huge Expense of their Maintenance into Savings for Policyholders and Agents. Its System makes possible Low Cost Insurance, Generous Commissions, and VESTED Renewals. There are No Restrictions in Territory. Each Contract is a Direct Home Office Contract—no Intermediaries between. The Agency that Produces gets ALL the Commissions.

Send today for this Distinctive and highly successful Company's Proposition. Write your Name and Address on the Margin of this Advertisement and Forward.

### THE COLUMBUS MUTUAL LIFE INSURANCE COMPANY

C. W. Brandon, Pres.



Columbus, Ohio

## The LIBERTY HOME OFFICE DAYTON, OHIO INSURANCE COMPANY

Automobile Insurance—Full Coverage—All in One Policy  
Plate Glass, Liability and Accident Insurance  
Capital Stock \$250,000—Assets Over One Million  
Surplus to Policyholders Over Half Million

Agents wanted in Illinois, Ohio, Missouri, Kentucky, Michigan, Tennessee, Kansas, Indiana, Alabama and Florida. J. R. Jones, Sec'y & Mgr.

### PROVIDENT FIRE INS. CO.

Fire and Automobile Lines

ROYAL EXCHANGE ASSURANCE

THE STATE ASSURANCE CO., LTD.

CAR AND GENERAL INSURANCE CORPORATION, LTD.

Automobile, Liability and Plate Glass

95 Maiden Lane

New York

ferent companies. It was noted that the "cut-rate" contracts as a rule were not so "broad" as those of the conference companies.

### REDUCE KANSAS FIRE LOSSES

#### Both August and September Show Favorable Records, Says State Fire Marshal's Report

W. A. Elstun, Kansas state fire marshal, in his October bulletin on fire losses announced a big cut in the aggregate fire losses in August and a small reduction for September. It is unusual that there should be reductions in fire losses in this state for two consecutive months, particularly during the hot and dry summer season.

The losses for August total \$175,466. One year ago the losses for this month were \$316,581, a reduction for this year of \$136,115. There were 157 fires reported for August, and 224 for that month last year.

The losses for September were \$258,211. A year ago the losses for the same month were \$262,339. There were 219 fires reported for September, whereas there were 133 fires a year ago. These figures show the slight reduction of fire losses for September of \$4,128.

### JOINS AGENTS' ASSOCIATION

#### Corroon & Reynolds Representative Plans to Plant Companies with Kansas City Organization's Agencies

KANSAS CITY, MO., Oct. 17.—Donald E. Chilcote, representative of Corroon & Reynolds of New York, has been admitted as a member of the Insurance Agents' Association of Kansas City, Mo., purchasing the membership of Leonard C. Kline, who has just returned to the office of L. H. Phister & Co. Mr. Chilcote will plant the Corroon & Reynolds companies with the members of the agents' association and will also accept brokerage business only from its members.

The commission scale to be used has not as yet been definitely announced, but as the Corroon & Reynolds companies are all non-affiliated companies, it is thought that the commission scale will be favorable as far as the agents are concerned.

During the past year, it has been very hard for a Union company to obtain an agent in Kansas City, as the agents have demanded a higher commission scale than that offered by the Union companies, and practically every agency appointment in Kansas City in the last year has been by a non-affiliated company on account of the commission contract offered.

The Union-Bureau controversy, however, has kept the non-affiliated companies out of some of the largest offices, but the entering of the local association by the representative of one of the largest non-affiliated groups, who, under the rules of the Kansas City Board, will be able to accept business from the other members on a brokerage basis, means that all the Union agents will have the entire facilities of this group at their disposal.

This is in no way to be considered a branch office of Corroon & Reynolds, but will be more in the nature of a service office, as the companies will be planted directly in the offices of such agents as desire to represent them directly and the brokerage business will be conducted in the companies not planted directly in agents' offices. Two of the companies are already represented by members of the agents' association and arrangements are now being carried forward to make other agency appointments.

#### Kansas Field Rearranged

The North America and affiliated companies have divided Kansas among

their five field men with Harry T. Stephens at Topeka as state agent. Three men were moved to other points, John A. Braswell going to Independence, to handle southeast Kansas; Carl E. Smith to Salina, to cover northwest, and Ray Dubois located at Dodge City as representative in the southwest. James M. Harris at Wichita, formerly state agent for the Alliance and Philadelphia F. & M., remains there but represents all companies of the fleet for the south central part of the state.

### FIGHT ON NEBRASKA VALUED POLICY LAW BELIEVED ENDED

LINCOLN, NEB., Oct. 17.—The refusal of the United States Supreme Court to take jurisdiction of the controversy between the United States Fire and Joseph B. Sullivan, denying the writ of certiorari asked by the company, apparently puts an end to the attempt to have the federal courts declare invalid the valued policy law of Nebraska, which forces companies to pay the face value of policies issued on buildings, where a complete loss occurs, regardless of the value of the property. The state courts have always upheld the law.

#### Lincoln Good Will Tour

Forty towns will be visited by the third annual caravan of Lincoln, Neb., insurance executives and agents on their good will tour of the territory adjacent to that city. Fred Walt, president of the Union Fire, will preside at all meetings. The caravan starts from Lincoln Oct. 22, with Nebraska City slated for the first noon meeting, and an evening meeting at Falls City. Tuesday the noon meeting will be at Beatrice and the evening meeting at Fairbury. Superior draws the noon meeting Wednesday and Hastings the evening meeting. The Thursday noon meeting will be at Grand Island and the evening meeting at Seward. The tour is under the auspices of the insurance subdivision of the chamber of commerce, of which Maurice A. Hyde, Security Mutual Life executive, is chairman.

#### Plan Blue Goose Fund

KANSAS CITY, MO., Oct. 17.—At the regular weekly luncheon of the Heart of America Blue Goose the committee appointed to work out plans for the relief fund made a very favorable report, and next week the pond will act upon the committee report. R. D. Air was chairman of the committee.

#### Organize Legislative Committee

KANSAS CITY, MO., Oct. 17.—Thomas S. Ridge, Jr., newly elected president of the Missouri Association of Insurance Agents, has appointed Carl S. Lawton, St. Louis, chairman of the legislative committee.

The work of this committee is especially important at this time, since there are several things to come before the next session of the legislature of interest to agents in the state generally. The committee is working on agents' and brokers' qualification laws, which are considered of especial importance. The agents are also interested in the anti-rebate and anti-discriminatory laws for casualty insurance which are to be presented. The new legislature will meet in January.

#### Wichita Insurers' Meeting

WICHITA, KAN., Oct. 17.—At the regular meeting last week President Lee Webb of the Wichita Insurers announced that L. B. Brown of Anderson-Brown-Ginzle, Dwight Smith of Smith-Stone-Snyder, Fred Horn of Israel-Horn and Fred Little were to be the official delegates from the Wichita Insurers to the state convention of the Kansas Association of Insurance Agents in Pittsburg this week. These men are to present a skit, illustrating the sale of stock insurance in competition with mutuals. A large delegation from Wichita is expected to attend the convention.

W. J. Harrell, newly elected member, was introduced. Secretary Henry Shott, who was recently married, passed the

cigars. H. A. Blinn gave a report on the week's activities of the fire prevention committee of the Chamber of Commerce with reference to the observation of Fire Prevention Week.

H. D. Baker, delegate of the Wichita Insurers to the national convention, and Frank Priest gave detailed reports of the convention.

Secretary Shott was married in Wichita Oct. 5 to Miss Bessie Phillippi. The Wichita Insurers presented the newlyweds with a chest of silver.

#### Want Three Trial Judges

Kansas officials are becoming impatient at the long delay in the fire insurance rate cases in the United States courts. The state is preparing to take action looking toward a hearing in this case at an early date. J. G. Egan, special assistant attorney general in charge of the insurance rate litigation, and Roland Poynton, assistant attorney general, have about completed their preliminary petition to the Supreme Court to compel the appointment of three judges to hear the application of the companies for an injunction against the enforcement of the Kansas rate order and the payment of the impounded premiums to the policyholders.

The attorneys for the companies are not in accord on the proceeding and it is not known now whether or not they will join the state in seeking three judges to hear the case.

#### Taylor Visits Kansas Towns

J. Burr Taylor of St. Louis, representing the fire prevention department of the Western Actuarial Bureau, spoke in three Kansas towns last week. Thursday noon he addressed an open meeting of the Chamber of Commerce at Hutchinson. Friday morning and afternoon he spoke before several schools in Wichita and that night appeared in Arkansas City at the regular meeting of the Kiwanis Club, which was conducting a fire prevention program.

#### Fire Prevention Week in Wichita

WICHITA, KAN., Oct. 17.—The most extensive and successful observance of Fire Prevention Week ever held in Wichita was carried out by the fire prevention and public safety committee of the chamber of commerce, with Dr. D. I. Maggard as chairman and W. J. Bauerle of the Dulamey, Johnson, Yankee & Priest agency, sub-chairman.

Both home inspections and mercantile self-inspections were conducted, 20,000 home inspections being carried out through the school children and 2,000 mercantile inspections through the important mercantile district. In the window display contest first award was given the Wichita Gas Company.

Less than half of the members of the fire prevention committee are insurance men, many of the most active members having no insurance connections. Besides Sub-Chairman Bauerle, other insurance men on the committee are L. B. Brown of Anderson, Brown & Ginzle agency, H. A. Blinn of the Kansas Inspection Bureau, W. R. Cook of Cook & Cook, Fred Little, James W. Campbell of Wheeler-Kelly-Hagney, Earl Woodard of Biting, Foote & Woodard and Howard Snyder of Smith, Stone & Snyder.

#### Covers Waterloo Airport

WATERLOO, IA., Oct. 17.—The Herman C. Miller agency wrote \$126,000 insurance for the Waterloo Airport last Saturday in connection with the dedication of the airport. Pilots participating were protected to the extent of \$100,000; property damage \$25,000, and \$1,000 rain insurance protection was secured. A. B. Chamber, president of the airport company, arranged the policies with the Miller agency.

#### Heavy Losses in Nebraska

LINCOLN, NEB., Oct. 17.—Heavy fire losses are reported from Antelope county, where a prairie fire whipped by a 50-mile-an-hour gale, swept over a stretch of country for 15 miles destroying a considerable number of farm buildings, machinery, grain and hay stacks. The fire started 20 miles from Clearwater and raged for several hours.

#### Organize Dubuque Board

DUBUQUE, IA., Oct. 17.—The Dubuque Board was launched last week at a meeting of 15 local agents. Improved service and endeavor to secure better

rates for insurance patrons are objects of the organization, of which Delhi A. Doty has been elected president; Joseph G. Gehrig, vice-president; A. R. Lorenz, secretary; D. C. Chamberlain, treasurer; C. B. Scherr, W. E. Elfman, W. J. Brown, Philo Lange and James T. Lee, directors.

### Nebraska Notes

Heavy hailstorms were reported in Burt and York counties in Nebraska last week.

The city council has ordered the purchase of a pumper truck to augment the fire fighting apparatus at Kearney, Neb. The city now has a chemical and ladder combination truck and also a pumper truck.

### Kansas Notes

Earl R. Findley and Mrs. Findley, both of whom have been active in the Earl R. Findley agency at Wichita, are the proud parents of a daughter born Oct. 6.

John H. Burns, Sr., and son, John H. Burns, Jr., of Harris, Burns & Co., members of the Wichita Insurers, left by motor this week with their respective families for California, where the elder Mr. Burns will spend the winter. John, Jr., will remain for a month, returning by train.

Bids for the new fire station to be erected in the wholesale district of Wichita will be opened Oct. 22, according to an announcement of City Manager Bert C. Wells. Bids for the delivery of a new pumper and ladder service truck to be used at the new station will be received until noon of the same day by the city manager.

### Missouri Notes

Under the auspices of the local Kiwanis Club the Missouri State Fire Prevention Association is conducting a town inspection and education campaign in Fayette Oct. 18.

Reports from Springfield, Mo., state that Norman B. Yaden, an attorney, and James Peebles pleaded guilty in the federal courts to a charge of using the mails to defraud in connection with an alleged plot to over-insure property belonging to Peebles, which was later destroyed by fire.

J. W. Rodger, manager of the Fire Underwriters Association of St. Louis, and Orrin D. Evans of the Standard Fire Underwriters Insurance Agency, St. Louis, attended a conference in Kansas City Oct. 12 at which plans for enlarging the scope of the agents' association were discussed.

Herman A. O'Rourke has purchased William Watson's interest in the Watson-O'Rourke Real Estate Company and has reorganized the firm as H. A. O'Rourke, Inc., retaining the old quarters at 5471 Gravois avenue, St. Louis. The company handles both real estate and insurance. Mr. Watson has opened his own offices at 5463 Gravois avenue.

## SOUTHWESTERN FIELD

### DISPUTE ON CASH SURRENDER

#### Federal Court Decides Point in Favor Of James A. Hudson in Purchase of Agency

The federal court at Helena, Ark., has decided the dispute over the cash value of a life insurance policy in the Mutual Life of New York carried on the life of E. M. Allen, when he was a member of the firm of E. M. Allen Company for the benefit of the agency. The premiums were paid by the agency and charged to the expense of the business. In May, 1919, Mr. Allen and James A. Hudson formed partnership, doing business under the firm name of E. M. Allen Company. In the fall of that year Mr. Hudson and Mr. Allen each took out \$10,000 of life insurance payable to the E. M. Allen Company. In July, 1927, Mr. Hudson purchased the undivided partnership interest of Mr. Allen and all assets of the agency except the accounts and notes receivable prior to a certain date. Mr. Allen became an official of the National Surety. After the sale Mr. Hudson demanded the surrender of the cash value of the policy carried on Mr. Allen's life. Mr. Allen claimed that the cash value was his personal property. In order to decide the dispute the money was paid into the



federal court and the court has just decided in Mr. Hudson's favor.

#### Prudential Fire to Entertain

OKLAHOMA CITY, Oct. 17.—The Prudential Fire of Oklahoma City will entertain members and guests of the Oklahoma Association of Insurers, members of the Blue Goose and their ladies, at a barbecue supper and dance, Thursday afternoon and night. Cars will be waiting to transport the guests from the convention hall, as soon as the annual convention of Oklahoma Insurers adjourns. About 250 insurance men and their ladies are expected to attend.

#### Wants Fire Station at Asylum

AUSTIN, TEX., Oct. 17.—Request has been made to the state board of control by Dr. W. J. Johnson, superintendent of the state hospital for the insane, at San Antonio, for permission to construct a fire station, properly equipped, on the grounds of the institution.

"In view that none of our buildings is fireproof the electric wiring is in very bad condition and considering too the class of patients we handle, it constitutes a continuous fire hazard," Dr. Johnson wrote the board of control.

#### Hearing on Petroleum Schedules

AUSTIN, TEX., Oct. 17.—The fire insurance department has set for hearing at Austin on Oct. 23 a proposed revision in schedule for rating petroleum oil tanks and contents and any other part of the petroleum properties schedules that may be presented for consideration.

#### Proposals Taken Under Advisement

AUSTIN, TEX., Oct. 17.—The State Board of Insurance Commissioners last week gave extended hearing to the petition of the city of Dallas for removal of the 5-cent penalty for use of other than cast iron mains in extensions of waterworks which are proposed to be made to the Dallas system. The board took the matter under advisement together with all other matters considered by it at a public hearing last week. The docket contained 21 propositions affecting fire insurance in Texas. It probably will be several weeks before decisions are announced.

#### Arkansas September Losses

LITTLE ROCK, ARK., Oct. 17.—The fire loss in Arkansas for September was \$130,000 less than for September last year, according to the Arkansas Fire Prevention Bureau.

Property loss from fire last month was \$309,977. A total of 131 fires occurred during the month, the largest being \$70,000.

#### Texas School Fires

The hospital ward of the Prairie View Normal School at Hempstead, Texas, was destroyed by fire along with the residence of Dr. J. M. Franklin, next

door. Loss to buildings and contents is estimated at about \$50,000.

The school building at Fairview, Tex., a brick structure, was destroyed by fire originating in the electric plant which joined the building. Loss to the building was \$27,000, and value of the contents is undetermined. The new school building at Hicks, Tex., just completed to replace the one burned last year, has been destroyed by fire. Loss will run near \$50,000.

#### Globe Fire Starts Jan. 1

OKLAHOMA CITY, Oct. 17.—Announcement is made of the opening of offices and the formal launching of the Globe Fire of Oklahoma City, Jan. 1. Offices will be located in the former Security National Bank building, which was recently purchased by the insurance company. Henry Ludlow, secretary, said that the agency department has planted agencies in 40 of the 77 counties in the state and that by Jan. 1 the entire state will be covered and equipped to handle all lines on the opening day. The sale of stock has been confined largely to insurance agents and large buyers of insurance. Ed M. Semans is president; A. C. Parsons, vice-president; Henry Ludlow, secretary, and O. B. Motherhead, treasurer.

#### Texas Notes

The Texas attorney general's department has approved waterworks bond issues for Vernon, \$60,000, and Taylor, \$250,000.

Mayor Reese of Slaton, Tex., has just consummated the purchase of a new fire truck and pumping unit to add to the city's fire fighting equipment and is beginning extensive repairs and enlargements to the old equipment.

A building on Elm street in Dallas last week suffered damage to structure and contents of above \$100,000. A large stock of hams and bacon which had been salvaged from the fire at the Decker packing plant a short time ago had just been added to the stock in the building.

#### Arkansas Notes

The Peel Insurance Agency of Jonesboro, Ark., has made application for a charter. Capital is \$10,000 and incorporators are H. A. Stroud, N. B. Stroud and C. V. Griffin.

#### Oklahoma Notes

A new agency has been formed to operate as Lutz & Lawler, with offices at 1218 Colcord building, Oklahoma City. It will represent the Twin City Fire, John Holland, formerly state agent for the American Central in Colorado, is office manager.

L. D. Anderson and L. D. Brigham, hail special agents in Oklahoma for the Great American fleet, and Mrs. Nelle Spence, superintendent of the hail department in the same office, attended the meeting of hail insurance men at Wichita last week.

The Prudential Fire of Oklahoma City, launched a few months ago, paid its first loss last week. It was on household goods in Oklahoma City. The fire occurred at 5 o'clock one evening, the company was advised the following morning and the check was handed to the assured at noon.

## An Open Letter to Harmonia Agents--

### Digging Up Leads for Rent Insurance

Rent and Rental Values Insurances offer numerous prospects already on your list as clients for other lines. Every fire insurance client is a logical prospect for one or other of these covers. Your windstorm list offers other names. In fact, every landlord, every property owner in your community should be solicited for Rent or Rental Values Insurances—perhaps both.

Fire and Windstorm have after-effects beside the material losses inflicted. Tenants are forced out by the property becoming untenable. Owners must rent elsewhere until reconstruction is completed. In the first case, rental income ceases—in the second, an unexpected monthly expense must be met.

Show your prospects the need for these two Insurance safeguards. And to help sell, the Harmonia Fire Insurance Company has a folder on these coverages available to its agents. You have a ready made list to solicit—do it now.

*In territories where the Harmonia Fire Insurance Company is not already represented, applications from reputable agents for representation will be considered.*

**HARMONIA**  
Fire Insurance Company  
NEW YORK OFFICE  
59 MAIDEN LANE



## IN THE SOUTHERN STATES

### TENNESSEE AGENTS PROTEST

**Declare the Recent Rules Promulgated by the Inspection Bureau Are Not Workable**

CHATTANOOGA, TENN., Oct. 17.—The Chattanooga Insurance Exchange has passed a resolution protesting against the recent rules that were put in force by the Tennessee Inspection Bureau, declaring that they are impractical and that it will be unwise to enforce them. The Chattanooga agents say that these rules should not have been promulgated without consultation with the agents. The Memphis local agents too are very much aroused and have sent in individual protests to their companies.

The trouble centers about two rules. One requires a definite statement of the amount of other insurance carried on all unprotected property or on all risks

that do not carry the coinsurance clause at the time the policy is written. The other rule requires the use of a three-fourths value clause on all unprotected property. This also entails the use of the standard chimney and foundation warranty. Heretofore, outside risks have been rated specifically by the Tennessee Inspection Bureau, but now they simply take the minimum rate. When the rules were first promulgated in addition to requiring the use of the three-fourths value clause, if a building were vacant at the time of the loss the three-fourths loss clause would apply. This, however, was modified so that by the payment of extra premium the loss clause would not be put into effect. The main opposition comes from mortgage loan people who claim that they are not able to secure enough insurance to protect them in many cases where they loan money on property, especially if a second mortgage is involved.

The companies have lost money on unprotected risks. They are endeavor-

## NATIONAL LIBERTY Insurance Company of America

### SUMMARY OF SEMI-ANNUAL STATEMENT July 1, 1928

CAPITAL .....	\$ 2,000,000.00
PREMIUM RESERVE .....	9,826,847.02
RESERVE FOR ALL OTHER LIABILITIES.....	1,825,129.00
NET SURPLUS .....	18,758,100.02
<b>TOTAL ASSETS .....</b>	<b>\$32,410,076.04</b>
<b>SURPLUS TO POLICYHOLDERS.....</b>	<b>\$20,758,100.02</b>

Fire, Automobile, Windstorm, Tornado, Sprinkler Leakage, Rent and Rental Value, Use and Occupancy, Tourist Baggage, Explosion, Property Damaged by Aircraft, Riot and Civil Commotion, Inland Marine, Parcel Post, Registered Mail.

**Home Office—709 Sixth Avenue  
New York City, N. Y.**

ing to put Tennessee business on a basis where money will not be lost every year. It is stated that the chief losses from a suburban standpoint have come from the outlying districts of Nashville. It is asserted that in some of these subdivisions shortly after the war rather costly houses were erected and the people have not been able to pay for them. Considerable moral hazard was thus created. The agents here are taking the stand that outside property around Chattanooga has not been unprofitable.

It is understood that Memphis tells the same story. These cities declare they should not be penalized for the high loss ratio in some of the Nashville subdivisions. The Tennessee Inspection Bureau, however, can not discriminate as to rates for the same class. The companies have had a bitter experience in unprotected territory in Tennessee and the movement is simply an effort to try to get the business on a basis where it can be written without loss.

In Chattanooga and Memphis local agents have had a conference with committees of field men to talk over the situation and to attempt to get some modification of the order.

#### TENNESSEE PROGRAM READY

##### Annual Meeting of the State Local Agents' Association At Chattanooga Will Be Attractive

NASHVILLE, Oct. 17.—The Tennessee Association of Insurance Agents is practically ready for its 34th annual convention which is scheduled to begin on the morning of Oct. 24 at the Patten Hotel, Chattanooga.

Chattanooga itself offers much of interest and beauty to visitors. As Tennessee is noted for its worth while conventions those arranging to attend will be well paid for their time and trouble. In addition to these features there are a number of notable speakers, among them, Carl E. Ingram, assistant manager of the Westchester, who will tell of some features that developed in an assistant general manager's office. Young E. Allison, Jr., of the Insurance Field is to talk on "Trade Journalism," a subject not heretofore handled in a convention, but the wisdom of which seemed apparent to the officers of the association. Henry Swift Ives of the Casualty Information Clearing House of Chicago, will talk in the afternoon of the first day. He is always a welcome speaker. R. Hill Carruth of the Fidelity & Deposit at Memphis is scheduled for a talk. The Fidelity & Deposit men in the state are expected in large numbers. W. Eugene Harrington of Atlanta, formerly national president, will be at the meeting as the representative of the National association. He will deal with the small town agent's needs and his relations to the state and National associations. Frank S. Dickson of Chicago is to represent the National Board with special reference to fire prevention.

#### CONTINUE VIRGINIA INQUIRY

##### More Time Allowed for Tabulation of Figures Contained in Schedules Submitted by Companies

Inquiry into fire rates in Virginia was scheduled to get under way last week before the state corporation commission, but a continuance to Nov. 11 was ordered so as to allow more time for tabulation of figures contained in the schedules submitted by the various companies. It was stated that practically all the reports were in hand. It is expected that the investigation, once it is started, will continue for several weeks, if not longer. It is also anticipated that the situation will finally narrow down to a question of what is the proper method of computing underwriting profit and loss. It is recalled that the Chandler

rate-probing commission devoted a great deal of time and thought to this question during its investigation last year before submitting its report to the legislature. In the event that the companies are not satisfied with the findings of the corporation commission they are permitted under the law to appeal as a matter of right to the Virginia Supreme Court of Appeals.

#### WILL NOT REMOVE SAUFLEY

##### Kentucky Auditor to Take No Action Regarding Commissioner as Result of Indictment

FRANKFORT, KY., Oct. 17.—No action will be taken by State Auditor Clell Coleman in regard to the indictment brought against Shelton M. Saufley, insurance commissioner, at the September term of the Franklin Circuit Court. Announcement to this effect was made by Mr. Coleman, who said:

"After very careful consideration of the matter of the indictment of Insurance Commissioner Saufley, I have decided to take no action for the present. I do not think the state or the public can suffer from this course, while any other decision on my part might work a grievous injury to him, as he is entitled to a fair, unprejudiced hearing."

Mr. Saufley was jointly indicted with E. B. Dishman, former state treasurer, on charges of misapplying funds of the state. The indictments grew out of the payment of \$50 a month to the former treasurer by Mr. Saufley for handling securities deposited by insurance companies for the protection of policyholders.

Some 50 telegrams have been received by Mr. Coleman, many of them from prominent Kentucky insurance men, urging him to retain Mr. Saufley in office. Among them were messages from Darwin W. Johnson, president of the Commonwealth Life, and C. G. Arnett, president of the Inter-Southern Life, both of whom stated that the \$50 a month paid to Mr. Dishman was made at their suggestion and at the suggestion of other companies "in order that their securities might be promptly and expeditiously handled through the treasurer's office."

#### Firemen's Injunction Continued

The injunction of Firemen's of New Jersey against Commissioner King of South Carolina has been continued by Judge Cochran of the United States District Court. The order restrains Commissioner King from revoking the company's license to do business in the state. The hearing on the motion to make the injunction permanent was to have come up on Oct. 5, but Judge Cochran decided that the case was not one to be heard by a statutory court of three judges and continued the hearing to give Commissioner King time to file his answer and prepare for trial of the case on its merits.

#### New Companies in Kentucky

FRANKFORT, KY., Oct. 17.—The New York Fire and the American Equitable, both of New York, the Sussex Fire of Newark, N. J., and the Empire State Fire of Watertown, N. Y., have been admitted to Kentucky.

#### Company Loses in "Still" Case

FRANKFORT, KY., Oct. 17.—The Court of Appeals of Kentucky has decided against the Westchester Fire, which refused to pay John Cline and Nettie Cline of Mt. Sterling, Ky., \$1,500 insurance on their property on the ground that there was a moonshine still in the house at the time of the fire. The company alleged that the time the policy was issued or shortly thereafter, the building with the knowledge of its owners was used for the manufacture of moonshine whiskey, which materially increased the hazard, and that the insured had falsely represented the property to be occupied as a dwelling and concealed the fact that intoxicating liquor was being made

therein. The court held that sufficient evidence was not introduced to sustain the allegations of the company.

#### Richardson Changes Firms

RICHMOND, VA., Oct. 17.—Archer L. Richardson, member of the Talley, Hobson & Richardson agency of Richmond for many years, is withdrawing from the firm to become associated with the agency of Robert Lecky in this city. He will be vice-president of this firm. Mr. Richardson is well and favorably known to the insurance fraternity. For some years he has served as secretary-treasurer of the insurance exchange of Richmond and of the Virginia Association of Insurance Agents. Frank A. Hobson will continue to carry on the Talley, Hobson & Richardson agency, of which he is president.

#### Conduct Membership Drive

RICHMOND, VA., Oct. 17.—A drive is being launched by the Insurance Exchange of Richmond to bring all eligible agents into the body that are outside the fold. The exchange now has a membership of 53. The new membership committee appointed by President Herbert B. Race will direct the drive. This consists of Donald Hancock, chairman; T. Darnley Adamson, M. M. Griffin, Frank W. Laughton, and T. W. Cheif.

#### Good Work in Arson Cases

LOUISVILLE, Oct. 17.—E. H. Black, special agent for the National Board, E. A. Scott of the Kentucky fire marshal's office and other members of the latter office have been doing some very excellent work in Kentucky of late in running down arson cases. They have secured several indictments and have several cases pending.

R. N. Hill, former operator of a general merchandise store at Barnsley, Ky., is in jail at Madisonville, under indictment for burning his store in May, 1928, and has been unable to raise a bond of \$1,000. Hill had policies of \$1,000 each in the Great American and Fidelity-Phenix. Hill has signed a confession. Merchandise moved out before the fire was located elsewhere.

#### Has Hard Time Parking Car

LOUISVILLE, Oct. 17.—R. O. Brewer, head of R. O. Brewer & Co., Louisville

local agents, had an unusual automobile accident Saturday, when he endeavored to park his car on Center street. He lost control and the car mounted the sidewalk, broke down a sidewalk flag pole, struck a pedestrian, whose leg was broken and who had to be taken to a hospital and then crashed into the Realty building, breaking two slabs of marble at the base of the building. The Ford was also considerably damaged. Mr. Brewer escaped injury.

#### Shelley Joins Sweeney & Co.

LOUISVILLE, Oct. 17.—John T. Shelley has recently resigned his individual membership in the Louisville Board, as head of the agency of John T. Shelley & Co. and has gone with Sweeney & Co., Louisville, as an engineer. Mr. Shelley is rated as one of the best engineers in Louisville. He spent ten years with Booker & Kinnaird, then five years with the Kentucky Actuarial Bureau, and for three years has operated his own agency.

#### Louisville Losses Higher

LOUISVILLE, Oct. 17.—Adjusters in Louisville, after finding business rather quiet over the summer period, have been kept on the jump in winding up various losses occurring in September and the first week of October, not only in Louisville, but out in the state.

Captain Kirley of the Louisville Salvage Corps reports that losses in Louisville are running about \$250,000 ahead of those for last year.

#### Southern Notes

Charles C. McGehee has been elected secretary of the insurance firm of Barnard Boykin & Co. of Atlanta. Mr. McGehee received his A. B. degree from Harvard last June.

#### Kentucky Notes

R. Nat Hill of Earlington, Ky., has been indicted on two counts for arson. One count charges Hill with setting fire to his store and the other with burning the stock of goods.

The Dotson & Baughman Agency of Harlan, Ky., is a new insurance firm that will replace the Harlan Insurance Agency and the Cumberland Insurance Company. The members of the new firm are C. T. Dotson and Harry Baughman, both well known leaders in the insurance field in Harlan county.

## ON THE PACIFIC COAST

#### CALIFORNIA AGENTS' PLANS

##### Important Issues to Come Before Bakersfield Meeting—Detrick, Badger and Laley to Speak

SAN FRANCISCO, Oct. 17.—From expressions heard at a special pre-convention meeting of the local agents of the counties of Marin, Sonoma and Napa counties, which was attended by Percy S. W. Ramsden, secretary, and Harry R. Schroeter, president of the California Association of Insurance Agents, the annual convention in Bakersfield next month will take some drastic steps toward better agency conditions in the state.

Another question which will receive some attention will be the proposal to reduce the license fee for local agents and revise the present system of appropriations for the insurance department so that approximately \$100,000 will be realized solely for the use of the insurance commissioner. This is in line with the announced policy of Governor Young and the department of finance. The California agents have been active in advocating additional funds for the insurance department. At the same time the convention will consider ways and means of coupling an agency qualification measure to such legislation.

Commissioner Charles R. Detrick will discuss phases of the agency situation at the meeting. H. F. Badger of the Pacific Board will tell of the work of that body while R. E. Laley of the National Bureau of Casualty & Surety Underwriters will explain the rating methods of his organization.

#### IDAHO AGENTS' CONVENTION

##### H. E. Morton of Lewiston Elected President—Push Drive for Qualification Law

TWIN FALLS, IDA., Oct. 17.—H. E. Morton of Lewiston was elected president of the Idaho Insurance Agents Association at the annual convention here, and Lewiston was selected as the 1929 convention city.

Other officers chosen were: Bradley Sheppard, Boise, vice-president; Arnold Hensell, Lewiston, secretary-treasurer. The executive committee is composed of A. L. Gridley, H. E. Morton, Charles R. Hickey, Bradley Sheppard, A. J. Peavy, R. S. Turner and Jeff Coffin.

Resolutions indorsing the suggestion of Fred E. Lukens, secretary of state, favoring the amendment to the automobile law to define the public liability coverage required of public carriers for protection of persons, passengers or nonpassengers, and limiting property damage to collisions only, were adopted.

Other resolutions favored rejection of bonds or insurance policies of concerns lacking financial standing by law enforcement officers. The convention indorsed suggestions by D. C. Neifert, state insurance commissioner, regarding qualifications. The Idaho agents are organizing to bring about legislation which will specifically detail the required qualifications for the appointment and licensing of a local agent.

H. L. Simpson of San Francisco, Pacific Coast manager of the Connecticut, Virginia Fire & Marine and the



## WE HELP OUR AGENTS SAVE ON EXPENSE

The Insurance business, like all lines of business, is today in an unprecedented state of change.

Local agents are facing new and difficult conditions that demand new and better methods if they are to operate at a profit.

This general agency has anticipated these needs. With our large volume of business we have developed facilities that save labor and expense for our agents.

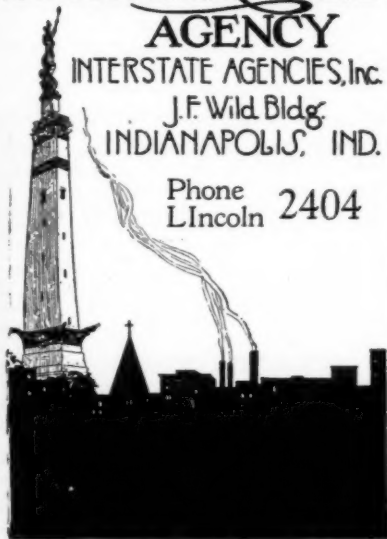
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To safeguard and advance the interests of our agents by consistent betterment of our facilities.

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United States Manager

ARTHUR H. F. SCHUMM  
Asst. United States Manager

Westchester, represented the Pacific Board companies at the meeting.

### "Adjuster" Is Sold

SAN FRANCISCO, Oct. 17—The "Adjuster," founded in 1891 by the late J. A. Carey, and one of the oldest insurance journals on the Pacific coast, has been purchased by "Western Finance and Trade" and will be merged with that financial publication. It is the plan of the publishers of the journal to establish an insurance section. Mrs. E. A. Carey, widow of the late publisher of the "Adjuster," becomes associated with the new owners.

### Names Fire Prevention Engineer

SAN FRANCISCO, Oct. 17—James F. McDill, formerly chief of the Dunsmuir fire department, has been appointed state fire prevention engineer by Governor Young. Chief McDill is the first appointee to this position, which was created under the legislative bill regulating cleaning and dyeing establishments.

### Seek 1929 Convention

Local agents of Sonoma, Marin and Napa counties, Cal., have organized a campaign to win the 1929 convention of the California Association of Insurance Agents for some central city or town in the famous Sonoma Valley section of the state. The movement was proposed by Frank W. Luttrell, prominent local agent of Santa Rosa, the county seat of historical Sonoma. These agents are forming a large delegation to go to the Bakersfield convention on Nov. 8 and "demand" recognition.

### Los Angeles Exchange Elects

LOS ANGELES, Oct. 17—At the meeting of the Los Angeles Fire Insurance Exchange last week Eugene Battles, insurance manager for R. A. Rowan & Co., was elected president, succeeding D. W. Pierce, member of the former Wheeler Brothers & Pierce agency. The entire ticket submitted by the nominating committee was unanimously elected, including Egbert Van Alen, vice-president; H. G. Bobey, secretary, and C. A. Kenyon, treasurer. The new governing committee consists of N. E. Branch, Leo Clairemont, I. O. Levy, D. W. Pierce, F. H. Bagley, Matt T. Mancha and Harry Lee Martin. Reports reviewing the work of the exchange for the past year were made by the president and the chairmen of the various committees and C. J. Duncan, manager, was commended for his active efforts in enforcing the rules and regulations of the organization. The retiring president was presented with a handsome wrist watch in appreciation of his work.

### Big Loss in Los Angeles

LOS ANGELES, Oct. 17—In connection with the fire a few weeks ago which caused considerable damage to the plant of the Los Angeles Can Corporation, it is understood the loss has been estimated at \$225,000. The principal carrier of the \$1,000,000 insurance involved is the General of Seattle, which had \$900,000 on stock. Most of the damage was confined to stock, although buildings and machinery also suffered.

### First National Files Articles

Articles of incorporation of the First National Insurance Company of America, of Seattle, which is controlled by the same people who control the General of Seattle, have been filed. The combined capital and surplus of the First National is given as \$3,600,000. Subscriptions for \$500,000 additional were declined. The officers of the First National are also the officers of the General. The new company is to be operated through the American Insurance Agency as general agents.

### Court Ruling Favors Mutuals

SALEM, ORE., Oct. 17—Oregon municipalities may insure their properties in mutuals under cash premium, non-assessable policies, when such companies have so stabilized their business, as evidenced by a sufficient reserve fund in the form of a net cash surplus, as to authorize the issuance of this class of policy under the Oregon law covering this point.

This is the holding of the Oregon su-

## SUSSEX FIRE INSURANCE COMPANY

Cash Capital  
\$500,000.00



Total Assets  
\$1,921,522.86

Net Surplus ..... \$1,346,522.86

Policyholders Surplus ..... 1,846,522.86

(Statement as of June 30, 1928.)

Announces that it is operating purely as an Agency Company and is a firm believer and supporter of the American Agency System.

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FIRE  
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**Time-Tempered, Strength,  
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## A Company for Good Agents

Twenty-three years of continuous progress have molded a reputation for the Home Fire Insurance Company of Arkansas that commands the confidence of every local agent. From an idea in 1905 this institution has grown to one of \$1,750,711.46 assets and \$500,000 paid up capital.

Wherever the Home Fire is located you will find a satisfied agent.

We have excellent agency opportunities in Arkansas, Louisiana and Mississippi.

**Home Fire Insurance Co.**  
of Little Rock, Arkansas

**The Rough Notes Co.**  
OFFICE SYSTEM INSURANCE SUPPLIES  
MINNEAPOLIS



### Pocket Expiration Books

"The Life of the Business"

Nothing plays a more important part in the business of a local agent, or broker, than a Pocket Expiration Book. Small and compact, it makes it possible to have an accurate pocket record of every expiring policy in the agency and expiration date of every "promised" policy. A new style "A. Williams", form 521, Pocket Expiration Book makes it possible for companies to purchase quantities for distribution at an unusual low cost.

FORM 521—Printed in Blue, as illustrated below; Patented Block Index Tabs; Tag Board Cover; 32 Double Pages; Size when closed, 6 1/4 x 4 1/2 inches. PRICES, Tag Board Cover: 1,000, \$135.00; 500, \$75.00; 200, \$32.75; 100, \$18.75; 50, \$9.50; 12, \$2.50; 1, 25c. Red Keratol Flexible Cover: 1,000, \$235.00; 500, \$130.00; 200, \$57.50; 100, \$32.50; 50, \$16.50; 12, \$4.50; 1, 45c. FORM 520—Pen ruled, as illustrated below; Cut-out Tab Index; Tag Board Cover; 25 double pages. PRICES, 1,000, \$225.00; 500, \$125.00; 200, \$51.25; 100, \$30.00; 50, \$15.50; 12, \$4.50; 1, 45c. FORM 522—(Same ruling as 520, having cut-out monthly tabs) Flexible Red Keratol Cover; 52 double pages. PRICES, 1,000, \$675.00; 500, \$350.00; 200, \$145.00; 100, \$75.00; 50, \$37.50; 12, \$10.00; 1, \$1.00.

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100, \$2.00  
Additional hundreds, 15c

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AMOUNT	REFERENCE	COMPANY	PROPERTY	Acq.	Exp.	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924



tional officers can not avail. And in so far as we do act as a coordinated whole, there is no limit to the horizon that stretches before us for the general benefit of the public insurancewise.

"We must stick together not only in defense of right, but in regard to the ethics and conduct of our business. If it is important for us to stand as a unit in qualifying our membership, isn't it of equal importance that as a body we uphold those companies which operate in accordance with the principles on which we stand? And if our members in one city do this and those in a distant city decide that they are exempted by extenuating circumstances, then the National association becomes an ineffectual thing.

"Did you ever consider the potential force of this great army of insurance

producers, throwing its full weight, without cavil, to the support of any given issue? Whenever our people can function as a unit, when local viewpoint and state lines are forgotten, and only the general good is considered, then indeed will we have reached the millennium. Then we shall hear no more of the branch office and the non-policy-writing agent, or any of the systems which would break down the agency system—then we should be invulnerable.

"The National association hopes to see the day when there is an active local board in every city and town throughout the length and breadth of this great country of ours. And we hope to see the day when every one of these boards will have coextensive membership in state and National association such as you have here.

#### Backbone of the System

"But agency organization cohesion goes a step further. We want to see such a close, harmonious working arrangement between the three units that there will be instant response when the call for action comes. We hope to build up an efficient working organization that will function like the mechanism of a clock, where the big wheels turn the smaller ones, and the smaller ones turn still smaller ones. And these working plans depend primarily on local board organization, the backbone of the system. It is the system. Over and above all other considerations, you are needed to join together 'like a rib of steel, to make strength stronger.'"

#### Allentown Agents Meet

Secretary-Manager Teamer of the Insurance Federation of Pennsylvania in two round table conferences held at Allentown, roused the agents of that city to an enthusiasm in the work of the federation seldom before attained.

In view of the fact that Allentown is to be the scene of 1929 Pennsylvania Insurance Days these conferences were especially important. The general committee in charge of the details of that gathering was chosen, and the announcement of the personnel will appear in a very few days.

#### Oppose Buffalo Blanket Policy

BUFFALO, Oct. 17—Councilman Joseph Becker's plan to have a single blanket policy issued covering all municipal automobiles will not be adopted by the city council when it comes before that body within the next ten days without serious opposition. This is indicated by a statement issued by Councilman John C. Montana, in which he declares there is no foundation for Mr. Becker's claim that by purchasing a single policy the city can save \$20,000 to \$22,000. The same saving can be obtained by placing the insurance with separate agencies as formerly, because of the low rates now in effect here, Mr. Montana contends. He has indicated he will oppose the Becker plan vigorously when it reaches the council floor regardless of the special insurance committee's favorable report with respect to the blanket policy purchase.

#### Binghamton Club's First Meeting

The Binghamton (N. Y.) Fire & Casualty Club held its first fall meeting last week. Fire Prevention Week activities and plans for fall and winter activities of the club were among the chief items of business. President Milton F. Steele, of Steele, Powell & Horton, was in the chair for the first time since his election at the end of the series of spring meetings last June.

#### Boston Board Meeting

BOSTON, Oct. 17—The Boston Board, at its October meeting, passed resolutions on the recent death of Arthur T. Hatch.

An assessment of 1% percent, based on the premiums collected for the first half of the year, was voted to cover board expenses from Nov. 1, 1928, to April 30, 1929.

William H. Rogers was elected to serve on the Boston metropolitan com-



"There's a little town along the Jersey coast where we have had an Agent for about two years. His business has been growing rapidly and so I decided to call on him for a story for this campaign. 'How come you represent The Columbia?' I asked when I arrived, and why the big increase?' 'Well', says he, 'I considered the future! About two years ago your Special came in and asked me to take on The Columbia, but I told him the Company I had was able to take care of all my business'. 'Do you know what a large really Company is going to develop the whole North Side and put up some hotels?' 'Gosh! You out-o-town fellers allus finds out such things quick' I says. 'Sign me up cause I will need you pretty soon. If I wait, some one else'll grab you off when the time comes, and I might as well have a fleet company and get capacity.' — I got twice the business now and The Columbia has been a big help in securin' and retainin' it."

The  
**Columbia**  
FIRE  
INSURANCE COMPANY  
OF DAYTON, OHIO  
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Watchclock Protection—  
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Capital \$200,000.00

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*Treaty and Facultative Fire Reinsurance*  
Capital and Surplus, Jan. 1st, 1928, \$1,324,348.38

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NEW YORK, N. Y.

mittee for three years, succeeding Harry H. Whitney.

The following nominating committee was appointed to bring in a list of new officers to be voted on at the November meeting: John J. Cornish, William H. Rogers, Samuel B. Reed, C. H. J. Kimball and Arthur K. Pope.

#### Big Loss at Binghamton

BUFFALO, Oct. 17.—Small fire losses were the rule throughout upper New York state during Fire Prevention Week, except at Binghamton, where three disastrous blazes during a week in which many prevention activities were conducted caused total losses of \$400,000. At least one of the fires was said to be incendiary. The greatest loss was in a grain elevator destroyed with damage of upwards of \$250,000. The incendiary fire was in a tire and rubber corporation warehouse.

#### Compliments Empire State Pond

In his report to grand nest headquarters, Henry L. Rose, grand guardian of the Blue Goose, has complimented the Empire State pond for the meeting and initiation which it held in Syracuse last week. There were 80 ganders in attendance.

#### Moses Opens His Office

Frank D. Moses, who has been elected manager of the Pennsylvania Association of Insurance Agents, has opened offices at 104 Chestnut street, Harrisburg. Mr. Moses was formerly connected with "Rough Notes" of Indianapolis.

#### Eastern Notes

The Lion Fire has been admitted to Massachusetts. Harold R. Hatch of Boston is named agent of record.

Harvey B. Harrison, head of the gen-

eral insurance and real estate firm bearing his name at Buffalo, has been elected president of the Charity Eye, Ear & Throat Hospital in that city.

Fire caused considerable damage in the offices of the Tonawanda Underwriters at Tonawanda, N. Y., a cigarette stub dropped into a sidewalk grating causing a blaze which spread into the interior of the offices.

Myron E. Betts, proprietor of the general insurance agency bearing his name at Batavia, N. Y., has sold his business to S. Vincent Maney, operator of a similar business in that city. Mr. Maney will consolidate the two agencies.

### NEWS FROM CANADA

#### TO CLARIFY AVIATION LAWS

Planes May Apparently Be Covered in Ontario—Some Question in Other Provinces

TORONTO, Oct. 17.—It seems very likely that aircraft insurance will be written shortly in the province of Ontario, following the precedent set by a number of New York companies. However, the insurance laws, framed before the prevalence of flying machines, will need clarifying in several provinces. In Ontario companies are authorized to write "self-propelled vehicles." This term was used to designate automobiles, and there seems to be some doubt as to whether it covers airplanes. It seems very likely therefore at the next session of the legislature, the superintendent of insurance for Ontario will recommend that airplanes be freed from the present category, and make it clear that airplane insurance is not automobile insurance, placing it in a separate class, and leaving the form of contract until experience has demonstrated the advisability of legislative restrictions.

#### General Agent for Laurentian

James A. MacKinnon, Ltd., of Edmonton, Alta., has been appointed general agent of the Laurentian for the province of Alberta.

#### American Auto Claim Manager

R. G. Mann has been appointed claim manager for the American Automobile, with headquarters in the office of Shaw & Begg, Canadian representative of the company. Mr. Mann has had considerable experience in this work, formerly being associated with the Northern Assurance in Montreal and Toronto in claims work.

#### Heavy Loss at Winnipeg

WINNIPEG, Oct. 17.—After a comparatively immune period from fires, Winnipeg experienced a disastrous loss Saturday, when the Dominion Rubber Systems block was gutted, with a loss estimated at \$300,000. Considerable damage was also caused to the stock of a wholesale boot and shoe factory adjoining. The fire started in the basement and blazed for two hours before being brought under control. Another fire in

## ORIENT INSURANCE COMPANY of HARTFORD, CONN.

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F. M. Merigold, Sec'y and Treas.

John D. M. McMillan, Vice-Pres.  
A. C. Holmgren, Ass't Treas.

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Clifford L. Rose, Mgr.

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Casualty Insuror,  
175 W. Jackson Blvd.,  
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Please send me the Casualty Insuror  
for 12 months and bill me for \$2.  
Name .....  
Address .....  
City .....

## AMERICAN ALLIANCE INSURANCE COMPANY NEW YORK

STATEMENT JANUARY 1, 1928

**CAPITAL**  
**\$2,000,000.00**  
**RESERVE FOR ALL OTHER LIABILITIES**  
**2,017,332.55**  
**NET SURPLUS**  
**4,382,692.33**  
**ASSETS**  
**8,400,024.88**  
**SURPLUS FOR THE PROTECTION OF POLICY HOLDERS**  
**\$6,382,692.33**  
**LOSSES PAID POLICY HOLDERS**  
**\$11,776,952.31**

**WESTERN DEPARTMENT**  
**C. R. STREET, Vice-President**  
310 South Michigan Avenue, Chicago, Ill.

**HARRY R. BUSH**  
President

**B. C. VITT**  
Superintendent of Agencies

**CLYDE A. HOLT**  
Secretary

**Capital**  
**\$500,000.00**



**Incorporated**  
**1906**

**Surplus to Policyholders** ..... **\$1,291,394.21**

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the suburbs of Winnipeg destroyed the stables of the Alsip Brick & Tile Company, burning 10 horses, 25 sets of harness and 40 tons of hay. The estimated damage is placed at about \$10,000.

### General Names Canadian Manager

Colin A. Manlove, manager for British Columbia of the General of Seattle, has been appointed Canadian manager. So far a little business has been done in Alberta, but it is now planned to extend the activities of the company to Manitoba and Saskatchewan and then ultimately to Ontario and Quebec.

### Canadian Losses Compared

According to the "Monetary Times," fire losses in Canada for the week ending Oct. 3 are estimated at \$333,500, as compared with \$261,500 for the corresponding week of 1927. From Jan. 1 to Oct. 3, 1928, losses are estimated at \$14,855,300, as compared with \$13,126,950 for the period from Jan. 1 to Oct. 5, 1927.

### Report Halifax Stock All Taken

It is reported that a Canadian firm has taken up all the new shares of the Halifax Fire upon which stockholders did not exercise their rights. The total

number of shares amounted to 1,024. The price given is stated to have been about \$47.50, and by the deal the company gains \$12.50 a share, as shareholders had the right to take these up at \$35. Of the amount received, \$10 goes to capital, and the balance to surplus. The capital of the Halifax Fire is \$2,000,000.

### Give Junior Casualty Course

WINNIPEG, Oct. 17.—In addition to the junior and intermediate fire insurance courses, the council of the Insurance Institute of Winnipeg has decided to give the junior casualty course of the Insurance Institute of America. This has resulted in the addition of several casualty managers to the institute membership.

### Prairie Fire Burns Much Grain

In the prairie fire which took place around Lethbridge last week it is estimated that grain losses will reach a total of over 100,000 bushels. The fire covered an area about 22 miles long and from two to three wide. Scores of granaries filled with threshed wheat were destroyed and it took the efforts of about 2,000 men to subdue the fire. It originated through a spark from a threshing engine lighting in a straw stack.

## MOTOR INSURANCE NEWS

### ACT TO STOP TIRE LOSSES

#### Kansas City Association Gets Dealers to Register Serial Numbers of All Tires

KANSAS CITY, MO., Oct. 17.—The Insurance Agents Association of Kansas City is starting on a proposition to get auto tire dealers to register the serial number of all tires sold here so that police can make a check on stolen tires. T. S. Ridge, president of the local association, has been working on this for some time, and the police department, justices and automobile dealers are in hearty accord with the plan. The dealers have already started listing the serial numbers of tires on all the cars they sell.

Practically half of the losses on automobiles is on tires, according to Wilbur F. Maring, Jr., secretary of the local association, and they expect to be able to cut down the loss ratio considerably by operating under this new plan. When the insurance agent is notified of a loss he calls the dealer immediately to determine the serial number, which is in turn communicated to the police department. The police department is pleased with the plan and members say that they know where to look for the tires in certain second hand tire shops which are known as fences but have never before had any means of identifying the stolen tires. Such a plan of listing serial numbers used to be followed by dealers here but when they began to sell so many cars they neglected to carry it out. The agents here are expecting good results from the cooperation between the dealers and the police department.

### RECIPROCAL TO TURN INTO A STOCK COMPANY

The Commonwealth Shares Corporation of Danville, Ill., is being organized, which will be the holding company for an Illinois stock company to write full coverage automobile business. It is planned to take over the Illinois Auto Insurance Underwriters, a reciprocal of Danville. It will retain the name of Iroquois. The reciprocal has been in business since March 28, 1922. The Iroquois Auto had surplus of \$42,056 and assets of \$119,216 at the beginning of the year.

### Push A. A. A. Work in Kansas

WICHITA, KAN., Oct. 17.—Rapid strides are being made in the organiza-

tion of a division of the A. A. A. in southern Kansas with headquarters in Wichita, to be known as the central division of the Sunflower (Kansas) Automobile Club. Both the Wichita Insurers and the Central Kansas Field Men's Club have endorsed the organization, Sam F. Woolard and C. A. Boelster of the latter organization being appointed to assist in the organization. Many other Wichita insurance men are taking an active part in the organization, including L. B. Brown of Anderson, Brown & Ginzel; Howard Snyder of Smith, Stone, Snyder; Craig Kennedy of the Northwestern Mutual Life, and Kenneth Cassidy of the Inter-Southern Life. No form of insurance protection is contemplated for the members of the new automobile club, which prompts the interest of local insurance men.

### Unusual Oklahoma Claim

OKLAHOMA CITY, Oct. 17.—An unusual claim was recently presented to W. S. Eberle, state agent for the Alliance Fire. Due to a leaky pump, the water all leaked out of an automobile radiator and the motor became dry and overheated, resulting in the burning of the pad and springs on the seat. A point that has arisen for question is whether there was any actual fire connected with the loss.

### New Reciprocal at Kankakee

The Home Automobile Underwriters of Kankakee, Ill., a reciprocal, has been licensed to write automobile insurance. The Underwriters Agency Corporation is attorney-in-fact.

### Auto Club Licensed

SALEM, ORE., Oct. 17.—A license for the Union Automobile Club to operate in this state has been granted after filing a \$26,000 bond, and receiving approval of Commissioner Clare Lee. Joe E. Dunne has been named state supervisor.

## MARINE INSURANCE NEWS

### HUGE DETROIT MARINE FIRE

**Estimate Loss at \$400,000—Burning Speedboat Ignites Municipal Boat Wells and Yachts**

DETROIT, Oct. 17.—One of Detroit's most spectacular and disastrous marine fires occurred last week when a burning speedboat, floating in a canal at the foot of Crane avenue, veered into a series of 68 municipal boat wells, destroying the



walls and nearly as many expensive yachts, speed boats and smaller craft.

The loss, as estimated by Detroit fire officials, will run well over \$400,000. While the amount of coverage has not been determined, it is believed less than one-fourth of the craft were protected.

The blazing boat, which appeared to be unoccupied, drifted into the wells on one side of the canal. Spectators, who were attracted when the gasoline tank of the burning speedboat exploded, pushed the boat away from the wells and this momentum forced it across the canal against wells on the other side. These also caught and within a few minutes were blazing away without hope of being saved.

Throughout the blaze, which lasted for nearly three hours, explosions of gasoline tanks were heard. Firemen were forced to use additional precautions to keep away from danger.

The fireboat was sent in between the two rows of blazing wells, while engine companies fought the fire from the two outsides. All but 10 of the wells with their valuable contents were destroyed.

Some owners and salvaging companies are attempting to raise what remained of the various craft that were burned. Some owners said they would attempt to repair the motors and install them in new craft. Others said that retrieving the motors from their watery grave would be useless.

#### San Francisco Marine Course

SAN FRANCISCO, Oct. 17—Congressman Arthur Free was principal speaker at the opening session of the fall term of the educational classes of the Association of Marine Underwriters. James A. Quimby of Derby, Sharp, Quimby & Tweedt, chairman of the committee, presided.

#### Jeweler's Block Losses High

The experience on jewelers' block policies has been very poor during the last three months. A prominent company official in this class of risk stated that the losses since July 1 have reached a total of \$800,000. This includes one of \$125,000 at Milwaukee; two at Boston, one of \$87,000 and the other of \$50,000; one at St. Paul of \$81,000; one at San Francisco of \$175,000, and the most recent one of \$150,000 in New York. The A. K. S. Jewelry Manufacturing Company was the latest victim. As a result of the exceptional heavy losses that have occurred recently, two or three of the prominent New York jewelry firms have recalled their salesmen from the road.

The total jewelers' block insurance written in the company aggregates about \$2,000,000 in premiums. It has been said that one of the offices writing the jewelers' block form in New York has a loss ratio thus far in 1928 of over 200 percent.

#### AGENTS NEVER SHOULD REJECT "FREAK" RISKS

In his address before the Wisconsin Association of Insurance Agents' annual convention at Oshkosh last week, R. P. Earbourn, United States manager of the Northern of England, underscored the value of looking closely into "freak" risk offers by recounting the story of how a group of six companies, among them the Northern, has insured the Natural Bridge of Virginia against earthquake damage.

The bridge is privately owned and is a source of a large annual revenue to its owners. The Northern was asked to insure it against earthquake. This involved determination of the value of the bridge and promulgation of an adequate rate. After failing to receive any help from the rating organizations that usually concern themselves with such risks, a value of \$1,000,000 was placed on the bridge, and the risk was written at 10 cents, which is the lowest rate for fire-proof buildings and is lower than the standard rate for bridges.

Mr. Barbour told the agents they will profit by giving more attention to the various inland marine covers, each of which has been developed that agents may have more to offer their clients. He said the companies want to help the agents help their assureds.

### MARCHANT SUPER - AUTOMATIC A Calculating Machine

#### TO CLEAR DIALS YOU PRESS KEY

Clearance is automatic—lightning fast eliminating all handle "cranking."

#### TO MULTIPLY PRESS ANOTHER KEY

Multiplication also is automatic—result appears instantaneously.

BEFORE YOU  
DECIDE SEE  
MARCHANT.

Write or  
consult  
your  
phone  
book



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CALCULATING  
MACHINES—  
AND NOTHING  
ELSE

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DIVISION  
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**MARCHANT**  
SUPER - AUTOMATIC  
MARCHANT CALCULATING MACHINE CO.  
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Sold and serviced in all principal cities  
of the world.

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Non-Explosive Safety Cans and  
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Each can bears the label of the  
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**CAPABLE MANAGEMENT**  
**ALERT TO SERVE BOTH AGENTS  
AND THEIR CLIENTS**

Capital - - - - \$750,000.00

Surplus - - - - 729,436.50

Surplus to Policyholders - - \$1,479,436.50

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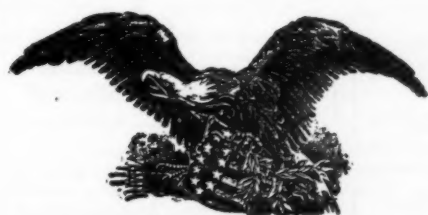
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## BUREAU APPROVAL OF CHICAGO PLAN GIVEN

(CONTINUED FROM PAGE 3)

sion on this class by a large number of companies, the reported violations not being confined to Bureau companies alone."

Some time ago the Western Union relinquished jurisdiction of automobile business, including commissions. Since that time many Bureau companies have felt themselves in a disadvantageous position. The adoption of the resolution relating to automobile jurisdiction will put them in a position to meet the competition that has been troublesome.

## Nonaffiliated Situation

In the passing of these two resolutions, moves of major consequence were given official sanction, but of equal significance was the animated and lively "lobby talk" regarding the growing competition of the non-affiliated companies. This is, beyond doubt, the most vital question confronting the Bureau companies today. They are thoroughly aroused over it, so much so that a short time ago the Western Insurance Bureau requested its members to send out letters to their agents asking the agents to pledge that they would not take from any company represented by them a higher scale of commissions than paid by the companies of the Western Insurance Bureau. Some Bureau companies have refused to address such a letter to their agents, some have sent it out, and others have not decided whether they will or will not send it.

## New Companies Strongly Backed

The fact that even a part of the Bureau members have sent out the letter indicates the seriousness of the situation. Most of the new companies that have been organized have plenty of money behind them. They are not "flashes in the pan" that can be referred to as weak financially and hence unreliable. They are, instead, formidable competitors. There are now more powerful non-affiliated companies in the field than ever before in the history of the Bureau.

In the middle west these companies cannot, of course, enter Union agencies except in the excepted cities. They have, therefore, established themselves in the Bureau agencies. Their plan has frequently been to pay 5 percent more than the Bureau scale, plus a contingent, with the understanding that they are not to be required to write all classes of business and that they might to a large extent be permitted to pick and choose their lines. The result of this has been in many cases that the non-affiliated companies have been getting the cream of the business, leaving the Bureau companies with a very much poorer classification.

## Competition Felt Severely

The Bureau companies have felt the effect of this competition. They are stirred up over it. They recognize that they must rout out the newcomers that are encroaching upon their domain. How to push back the rising tide of this competition is a matter of the keenest interest to all Bureau companies, and a large number of Bureau company officials discussed every phase of this question informally and unofficially in the lobby of the hotel and on the porch commanding a view of Hampton Roads.

The severity of the inroads being made by the non-affiliated companies, whose number is multiplying almost monthly, has had a strengthening and stimulating effect upon the Bureau and undoubtedly made it a more virile organization. Its members realize that they must "stick together" and be well organized to combat the enemy. The Bureau companies are more solidly welded together because they are all confronted with the same situation and realize that they must act cooperatively.

There was an enormous amount of routine business transacted at the Old

Point Comfort meeting. Sessions were held morning and afternoon for three days and were fully attended. It was the first appearance of Ralph Rawlings as president of the organization. He carried the sessions forward with efficiency and precision. His manner of presiding was very favorably commented on.

Numerous committee reports were read and acted upon. A resume of the activities of the Cook County Loss Adjustment Bureau was presented by H. A. Clark of the Firemens. Charles H. Coates of the National Liberty read the report of the committee on Bureau field clubs. General Counsel F. D. Silber discussed the legal questions before the organization—the rate cases in Kansas, Missouri and Kentucky.

## Underwriting Adjusting Company Report

One of the most interesting reports was that of Clarence A. Rich, manager of the Underwriters Adjusting Company. Notwithstanding the general decline in losses the Underwriters Adjusting Company shows a healthy increase in business. Mr. Rich reported a marked increase in the amount of automobile and aircraft losses. The organization now has a competent hand-picked staff that is concerned with adjusting losses not speedily but thoroughly.

Mr. Rich commented on the work of the National Board in securing the passage of model arson laws and commended the arson work being done by the National Board's investigators. Mr. Rich's entire report was submitted to the executive committee which will consider the recommendations which he made.

## Subscribers Actuarial Committee

After the regular sessions adjourned there was a meeting of the Subscribers Actuarial Committee, which was, of course, attended by J. V. Parker, manager of the Western Actuarial Bureau. It is quite likely that the spring meeting of the Bureau will be held in Old Point Comfort and the meeting next fall at Lake Placid, N. Y., or some other northern point. The members were delighted with the beauty and historic interest of Old Point Comfort and most of them want to return next spring.

W. E. McCullough, western manager of the Hampton Roads Fire & Marine, did a most thorough job as chairman of the arrangements committee. He provided automobile rides for the ladies each day. There was a good fellowship dinner on the second evening at which he presided. The speakers were two Norfolk, Va., Baptist clergymen, Sparks White Melton and J. Roland Wagner. President H. G. Barbee of the Hampton Roads Fire & Marine, also made a short talk.

## President Rawlings' Address

President Ralph Rawlings in his address stated that the Western Insurance Bureau was not formed for large companies only or groups of large companies. It has been made up all along of representatives of companies both large and small. He declared that the organization has always pointed with pride to the fact that in all of its functions and activities, full consideration has been given to the interest and welfare of the smaller company as well as the larger one. He said that the Bureau was organized during a period of pandemonium and strife with the avowed purpose of correcting conditions inimical to the interest of all concerned. He asserted that the Bureau has taken the initiative in many movements for the betterment of insurance. Its policy, he held, has always been constructive. It has been willing at all times to confer and cooperate with organizations having jurisdiction over insurance activities for the betterment of the business.

President Rawlings said that the Bureau companies are confronted with many important and serious problems. The matter of competition from outside sources has created an acute situation.

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# The National Underwriter

October 18, 1928

CASUALTY AND SURETY SECTION

Page Forty-three

## ACQUISITION COSTS ARE AGAIN TO FORE

Serious Attempt to Be Made  
to Untangle Snarl in  
Chicago

## STELLWAGEN IN CITY

Francis R. Stoddard, New York City  
Arbitrator, Also Is to Study  
Situation

Solution of the fidelity and surety acquisition cost puzzle in Chicago and Cook county again actively engaged the attention of the National Association of Casualty & Surety Underwriters and the Surety Underwriters Association of Chicago this week with the arrival in Chicago of H. P. Stellwagen, secretary of the National association, and Francis R. Stoddard, who has been appointed New York City arbitrator of acquisition cost matters by the national agency committee. At the meeting of the Chicago association on Tuesday this week, communications from and to Mr. Stellwagen were read, their total purport being that the agency committee has taken the Chicago situation in hand and will make a serious effort to bring all conference companies into line on acquisition cost. It is not yet known whether Mr. Stoddard will undertake handling Chicago or if someone else will be appointed.

The problems that are up for solution have been troublesome to the business in Chicago for many years. At various times efforts to correct bad practices have been made, all of them coming to little more than naught. The present move on the part of the National association and the agency committee seems to be the culminating move in the most serious effort that has been made in years. Attempts at correction of the present situation were begun late last year and have been continued until the present.

### Interviews Planned

The plan is that Mr. Stellwagen precede Mr. Stoddard to Chicago by one day to make appointments for him, and that Mr. Stoddard spend Thursday and a part of Friday this week interviewing members of the Chicago association, the interviews to be concluded with a meeting of the association on Friday. At the Tuesday meeting the opinion was freely expressed that two days will not be sufficient for Mr. Stoddard's work.

In a communication to the Chicago association, Mr. Stellwagen reports that the New York City rules, under Mr. Stoddard's arbitration, have been 100 percent observed since he was appointed to handle the situation in that city. Mr. Stoddard was insurance commissioner of New York state preceding James A. Beha, the present commissioner.

The following nominating committee was appointed to choose a slate of of-

## FIDELITY LOSSES GROW; RATES ARE INCREASED

### ALL BANKS ARE AFFECTED

Stiff Rise in Cost of Coverage Is Made  
As Result of Bad Experience  
Nationally

Losses under fidelity bonds for financial institutions have lately become so heavy that an increase in rates for the coverage, effective nation-wide, has been made. The increase affects renewals as well as new business.

The old rate for all national banks and Class A banks was 30 cents per \$100 when the statutory form was not used, and 60 cents per \$100 for Class B banks when the statutory form was not used. The new rates are 40 cents for banks in the first classification above, and 80 cents for banks in the second classification.

When the statutory form is used the new rate for Class A banks is 50 cents. The old rate was 40 cents. For Class B banks the new rate is \$1.

### Private Banks Also Affected

The rate for private banks in Class A has been increased to 40 cents from 30 cents. The rate for private Class B banks is now 80 cents, as against the old rate of 60 cents.

The new manual of rates is being mailed to agents and company offices.

Surety men say that carelessness is one of the prime causes of bank fidelity losses. Some are of the opinion that low wages for bank employees is also an important cause. Naturally, if bankers will be so careless that losses mount, rates for fidelity schedules also will mount.

### Quits Credit Insurance

The United States Fidelity & Guaranty, which entered the credit insurance field a few years ago, has sold that part of its business to the American Credit Indemnity. The credit premiums of the company last year were \$143,639. It felt that this is a line of insurance which it did not care to continue.

Officers for the Chicago association for the next association year: A. C. Arnold, Standard Accident; William H. Hansmann, American Bonding; Jay J. Reynolds of Bowes & Company, who is now president of the association. The present entertainment committee was delegated to make arrangements for the annual meeting of the association, to be held in November.

### Legislative Work Needed

A motion was adopted to the effect that the new administration shall appoint a legislative committee to represent the companies in Springfield for the purpose of fighting baneful legislation and obtaining legislation favorable to the business. The laws affecting public official bonds in the state are obsolete, and the laws affecting Lloyds are such that Lloyds have free play in the state. It is the belief of the association that relief in both these matters can be obtained through association activity in the legislature.

## NO PERSONAL SERVICE IN AUTOMOBILE SUITS

### NEW MASSACHUSETTS ANGLE

Process in Damage Suits Served on  
Registrar, Mailed to Motorist  
at Last Address

BOSTON, Oct. 17.—A new angle to the Massachusetts compulsory liability law has shown up which is going to give the motorists of this state a great surprise when they receive their registration blanks for 1929. They will find that before they get their plates they must waive their legal right to personal service in suits for damages resulting from motor accidents. On the blank will be found the following:

"In case the certificate herein applied for is issued, I hereby irrevocably appoint the registrar of motor vehicles or his successor in office my attorney upon whom process against me may be served as provided in G. L. 90, Sec. 3D (St. 1928, Chap. 344), and agree that process so served, if I am notified of such service as provided by said section, shall be of the same legal effect as if served on me personally and that the mailing by the registrar of a copy thereof to me at my last address as appearing on the registrar's records shall be sufficient notice to me of such service."

### Suit Procedure Simple

If a person sues an owner of a motor car registered in Massachusetts for damages resulting from an automobile accident, all that the former has to do is serve legal notice upon the registrar, leaving two copies. Then the registrar will be compelled to mail one notice to the last available address of the person sued. There need no longer be personal service. Nor does the registrar have to send a special delivery or registered letter, merely using ordinary mail.

If the person sued has moved, or is away for a lengthy trip, and the letter comes back it is merely filed away. Meanwhile the suit is brought and the defendant, knowing nothing about it, may have judgment given against him by default. But that is not all. If the judgment is not paid a default warrant may be issued and some day the person may find himself headed for jail.

Capt. George A. Parker, registrar of motor vehicles, knew nothing about this law until he got a copy with other legislation. Officials of the Boston Automobile Club, who follow legislation closely, never heard of it. How it ever got through the legislature without some of the automobile people, and at least some members of the senate and house recognizing its purpose, is a mystery.

Motor concerns here are now pasting notices in their sales and service quarters stressing the fact that every owner of a car should be told to notify the registrar immediately of a change in address. Thousands of owners move after they get their plates at the beginning of the year.

Insurance men are notifying their clients throughout the state who have changed their residence since they applied for their present plates to send a letter to the registry at once, giving number of car, old address, and new.

## BURRAS HOPES FOR NATIONAL NETWORK

Wants a Key Man in Every  
Voting Precinct of the  
Country

## MAKE INSURANCE FELT

Plan Is to Get Those in the Business to  
Take Part in Political  
Activities

Charles H. Burras, head of Joyce & Co. of Chicago, managers of the National Surety, who retired as president of the National Association of Casualty & Surety Agents at the White Sulphur Springs convention, was delegated by his organization to appoint a committee to investigate the practicability and desirability of having an organization nation-wide in its scope that would put insurance into politics. Mr. Burras in his address advocated that the insurance people have an insurance man or some one friendly to insurance in every voting precinct in the country so that influence could be brought to bear when desirable.

### Insurance Makes No Demands

Mr. Burras explains that the insurance people are not asking for anything. They simply desire to have their rights respected and conserved. Insurance, he states, is capable of supervising itself. It desires to treat the public with the utmost fairness. It, however, is subject to attacks of all kinds largely through prejudice and ignorance. It is believed that many legislators attack insurance largely for political reasons.

### Committee Not Appointed

Mr. Burras has not yet appointed his committee. He desires to make a very careful selection and secure on it men who have a practical knowledge of politics and who can guide the insurance ship safely through the shoals. It is not Mr. Burras' plan to get insurance men running for the legislature or other office necessarily. If they are competent and desirous of holding office, naturally they should have the support of their associates in the business. He believes, however, that much can be gained by insurance men taking an interest in the mechanics of the politics so to speak.

He feels that the men who wield power are not necessarily those who are in office but those who pull the strings, who control the votes, who are active in their political organization, who have influence in their voting precinct. He is anxious for one insurance man at least in every voting precinct to make it his job to become associated with the organization, do work, get acquainted, be able to influence votes and then his voice will be heard.

Mr. Burras states that if a plan can be evolved it will then be presented to the casualty companies to see whether

(CONTINUED ON PAGE 50)

## NEW BUILDING CONTRACT AWARD RECORD IS MADE

### SEPTEMBER BANNER MONTH

Total Value of Proposed Construction  
Is \$587,674,000—Increase Over  
August 14 Percent

September construction contracts in the territory east of the Rocky Mountains reached a total of \$587,674,000, according to the F. W. Dodge Corporation. The area covered includes approximately 91 percent of the total construction in the United States. The total of contracts awarded was the highest September contract total on record. It was 13 percent ahead of the total for the same month of last year and 14 percent ahead of August, 1928.

The record brought the total amount of new building and engineering work started since the first of this year to \$5,132,944,100, representing an increase of 7 percent over the corresponding period of 1927.

Analysis of the record shows the following outstanding items: \$202,806,900, 35 percent, of the total for residential construction; \$119,013,600, 20 percent, for public works and public utilities; \$114,780,300, 19 percent, for industrial buildings; \$60,068,000, 10 percent, for commercial buildings; \$38,800,500, 7 percent, for educational buildings; \$23,845,700, 4 percent, for hospitals and institutions.

New projects contemplated which were reported in the 37 states amounted to \$522,655,600, a decrease of 15 percent from the total reported in the preceding month and a drop of 17 percent from the amount reported for last September.

#### Increase Is 22 Percent

New building and engineering projects awarded during September amounted to \$154,895,500, in New York state and northern New Jersey. This total shows an increase of 22 percent over the previous month and a gain of 46 percent over that of September, 1927. Total construction for the first nine months for this district has reached \$1,353,153,500, as compared with \$1,258,225,000 for the corresponding period of 1927, an increase of 8 percent.

New construction work started in the New England states reached \$71,611,100 for September. This amount is 84 percent ahead of August and 108 percent greater than September, 1927. During the first nine months of this year, \$395,284,800 of new construction was started in this district. This total compares with \$309,898,100 for the corresponding period of 1927, representing an increase of 28 percent.

#### Middle Atlantic States Gain

Contracts awarded for new construction in the Middle Atlantic states reached a total of \$66,170,000 for the past month. This amount exceeds that of August by 30 percent but falls below September, 1927, by 15 percent. Since the first of the year total contracts awarded for this district have amounted to \$603,344,700 as compared with \$579,324,000 for the same period of 1927, representing a gain of 4 percent.

New construction and engineering projects started in the Pittsburgh district amounted to \$75,499,800. This total represents an increase of 32 percent over that of the previous month and an increase of 7 percent over September, 1927. Last month's contract total brought the amount of new building and engineering work started in this district for the first nine months of this year to \$563,359,100, as compared with \$616,641,300 for the corresponding period of 1927, a decrease of a little more than 8 percent.

The central west (Illinois, Indiana, Iowa, Wisconsin, southern Michigan, Missouri, Kansas, Oklahoma and Nebraska) reported a total of \$145,744,200

## MEAD IS MADE HEAD OF AGENCY DEPARTMENT

### PROMOTION IS ANNOUNCED

Glens Falls Indemnity Advances the  
Manager of Its Casualty End  
on His Record

George D. Mead has been appointed superintendent of agents of the Glens Falls Indemnity. He entered the service of the company in November, 1927, becoming assistant manager of the casualty department, handling automobile, burglary, plate glass and miscellaneous public liability lines. He had his schooling with the Hartford Accident & Indemnity, entering the employ of the company at its home office in 1914. He served in the automobile department, finally being appointed chief underwriter. In preparation for field work he spent considerable time in 1921 going to various home office underwriting departments of the Hartford Accident. In 1922 he was sent to the Pittsburgh branch office to handle the underwriting of all forms of casualty insurance. While at Pittsburgh it was necessary to spend considerable time in the field on agency work. In 1926 he was sent to Columbus, O., to open a branch office for the Hartford Accident and served in this capacity for a year before he entered the employ of the Glens Falls Indemnity.

#### Standard's "Ad" Symbol

When the redman reigned, smoke signals spiraling skyward called mighty braves to war—warned scouting parties—summoned wandering tribesmen to council. Where the voice could not carry, this artificial means of expression was readily interpreted. It saved the swift Indian runners a long journey, and—it did the job.

This is the setting that forms the basis for the unique symbol adopted by the advertising department of the Standard Accident. It shows an Indian in silhouette giving smoke signals, with the words "Advertising Our Business" forming the outer edge of the circle.

of contracts awarded for new construction and engineering work. This amount is 12 percent less than August, 1928, and 6 percent less than the corresponding month of last year. The nine months' total of contracts awarded for this district amounted to \$1,529,802,100, as compared with \$1,332,359,200 for the corresponding period of 1927, an increase of 15 percent.

Work contracted for the northwest for September reached a total of \$6,811,400, as compared with \$10,445,500, for the previous month, a decrease of 35 percent, and \$5,472,700 for September, 1927, an increase of 24 percent. During the first nine months of this year there was \$61,042,900 worth of new construction work started in the Northwest, as compared with \$68,744,300 for the first nine months of last year, a drop of 11 percent.

Construction contracts awarded for September in the southeastern states amounted to \$51,780,900. This total is 6 percent ahead of August, 1928, but 9 percent less than September, 1927. The September total of contracts awarded in the southeastern states brings the amount for the first nine months of this year up to \$446,160,500, as compared with \$461,932,900, for the corresponding period of 1927, a decrease of 3 percent.

Contracts awarded in Texas last month amounted to \$15,161,100, which is a drop of 12 percent when compared with the previous month and 4 percent when compared with September, 1927. During the first nine months of this year there was \$180,796,500 worth of new construction started in this state as compared with \$169,357,300 for the corresponding period of last year, an increase of 7 percent.

## RULES FOR EXTENDING OF COVERAGE SENT OUT

### WISCONSIN BUREAU'S ACTION

Outline Plan for Distribution of Undesirable Compensation Risks in Wisconsin in Future

MILWAUKEE, WIS., Oct. 17.—Rules for the extension of coverage to undesirable compensation risks in Wisconsin, have been sent out to all member companies of the Wisconsin Compensation Rating and Inspection Bureau, for the purpose of definitely determining the companies that will be prepared to participate in the plan on the basis of the rules as drawn.

This matter of covering the undesirable risks has been under consideration in Wisconsin many months, but the plan is now ready to go into effect as it was approved at a general meeting in New York City on Oct. 3. It is believed that when the plan is put into operation in Wisconsin it will clear up the situation on undesirable risks and that other states will follow suit.

#### New Plan Outlined

The plan is as follows: "1. An uninsured risk is one located in Wisconsin wherein an employer is unable to obtain coverage after making reasonable attempt. 2. Request for coverage shall emanate direct from the employer.

"3. The general manager of the Wisconsin Compensation Rating and Inspection Bureau (hereinafter referred to as the general manager) upon being requested to obtain coverage for such risks shall distribute them amongst the companies subscribing to this agreement, the distribution, by premium, to be made proportionate to the premium income of such companies.

"4. The said companies shall accept the risks assigned, subject to the following conditions: a. The general manager shall arbitrarily tentatively assign each uninsured risk when properly presented to the selected companies, following which, (b) the general manager shall cause an investigation to be made, covering all the salient features of the risk, such as operations, accident record, attitude toward accident prevention, financial standing, etc., the results of which shall be bulletined to all member companies with the object of determining whether any company other than the assigned would be prepared to extend coverage. (Note: It is presumed this investigation will not be necessary unless the assigned carrier so requests it.)

"c. When carrier is definitely determined, the risk shall be written at classifications established together with corresponding manual rates, unless the carriers should disagree with such, in which event the general manager, after consulting with the carrier shall order such changes as may be deemed requisite and reasonable. Further, in the event that the general manager and carrier be unable to agree, the matter shall be referred to the rating committee for final disposition, subject, however, to the general rules governing procedure in connection with appeals from bureau decisions.

"d. It shall be the privilege of the carrier to demand payment upon delivery of policy. e. The carrier may demand reconsideration if the risk is geographically unsuited with respect to extension of service. f. Risks may be cancelled by the carrier provided the necessary proof be furnished to the general manager respecting failure to remit premium payment; refusal to cooperate with respect to insurance contract requirements and accident prevention measures. g. It shall be the privilege of any company to refuse acceptance of a risk provided it is established that the reinsurance contract entered into by any such company denies coverage to the character of the risk involved."

## BEHA ISSUES HIS REPORT ON CASUALTY BUSINESS

### MORE UNDERWRITING PROFIT

Material Increase Over Previous Year  
Shown—Premium Income for  
Year Given by Classes

ALBANY, N. Y., Oct. 17.—Superintendent Beha will issue shortly part III of his 1928 report. This volume deals with the casualty lines and gives abstracts and tabulations of the 1927 business of 55 New York State, 49 other-state and eight foreign companies authorized in New York, a total of 112. This is an increase of four for the year. Of these companies 25 are New York mutuals and eight are mutuals of other states, which do chiefly automobile and workmen's compensation business.

All casualty lines of insurance are increasing rapidly. A remarkable development is indicated by the fact that 16 new companies have been authorized in New York during the present year. Of the varied coverages afforded, the comparatively new lines of workmen's compensation and automobile coverage stand in the lead.

#### Premium Receipts Classified

The total income for 1927 was \$783,011,324, an increase of \$56,005,125 for the year. Of the total amount \$700,259,490 was from premiums as follows:

Workmen's compensation.....	\$191,403,404
Auto liability.....	146,518,364
Fidelity and surety.....	91,624,465
Accident and health.....	80,848,829
Auto property damage.....	61,248,457
Liability other than auto.....	60,311,923
Burglary and theft.....	35,131,091
Plate glass.....	13,879,316
Boiler, engine, machinery.....	10,095,342
Damage and collision other than auto.....	2,247,650
Credit and all other classes.....	6,994,658

The disbursements for 1927 were \$682,786,896, of which amount \$319,249,737 was for losses and \$58,239,608 for investigation and adjustment of claims.

Total premiums received by these companies in New York State were \$201,230,286; total loss claims paid in New York, \$87,767,758.

#### Gain from Underwriting

This class of insurance companies made a net gain from underwriting during 1927 of \$3,397,516, as against a gain of \$2,453,021 during 1926, and a total net gain in surplus of \$47,345,640, as against \$33,978,508 during the previous year.

An appendix contains the insurance laws of 1928, court of appeals decisions on insurance cases and insurance department reports on examination of insurance companies for the year ended July 1, 1928.

#### Form Broadcasting Subsidiary

Incorporation papers for the Travelers Broadcasting Service Corporation have been filed by four directors of the Travelers companies, L. E. Zacher, vice-president and treasurer; William Bro-Smith, vice-president and general counsel; Elijah S. Johnson, president of the First National Bank, and H. Marsden Hubbard, president of the Connecticut River Banking Company and Travelers Bank & Trust Co.

All of the stock of the new subsidiary will be subscribed for by the Travelers, with the necessary number of shares assigned to directors for qualification. When the new corporation is organized directors and officers will be named. The license of radio station WTIC will in the future be held in the name of the broadcasting company.

#### Opens Wichita Office

The Republic Casualty & Surety of Chicago has opened an office in Wichita, Kan., at 307 Blitting building, with H. G. McLaughlin in charge. Jay D. Smith, assistant manager of the Kansas City office, spent several days in Wichita helping open the office.



## CLAIM MADE THAT RATES ARE TOO LOW

Companies Are Still Losing Big Money on Their Compensation Writings

### KEEN ANALYSIS SHOWN

One of the Large Offices Makes Some Comment on the Need of the Day

One of the large compensation writing companies, in making an analysis of the rate situation, declares that the charge made by the National Council on Compensation Insurance from time to time that companies do not use the rates made by the Council but cut them, is not true. This office states that unfavorable workmen's compensation experience has spread over so many states during so many years and is traceable to such a large proportion of the companies that this argument cannot be taken seriously.

#### Showed Decrease in New York

This office states that the statistical data of the National Council sent out this year showed a definite downward trend in loss ratio for the combined experience of all states during 1924, 1925 and 1926. This company in making calculation states that beyond the shadow of a doubt the downward trend in loss ratio during the three policy years can be traced to New York state alone. As a matter of fact, according to this authority the combined experience of all states except New York shows a slight but gradual increase in loss ratio over the same period.

The following loss ratios were taken from data furnished by the National Council covering 32 states.

#### Policy Year Loss Ratios

Experience	1924	1925	1926
Countrywide	66.3	64.1	62.9
New York	67.9	60.1	56.2
Outside New York	65.4	66.3	66.5

#### Comment on Figures

This office, in commenting further, says:

The comparisons noted above prompted us to examine more closely the individual state loss ratios for the three largest policy years. All of the 32 states can be divided into four groups; three of which comprise those states where the latest experience shows a loss ratio which is higher than the permissible loss ratio. The fourth group includes those states where the latest loss ratio experience is satisfactory by reason of sufficient improvement which has been made in rate levels.

#### Upward Trend 1925 and 1926 Loss Ratios

States	1924	1925	1926
California	62.9	66.4	68.2
Colorado	62.2	65.6	69.6
Illinois	62.8	65.8	66.4
Indiana	57.9	61.5	62.7
Iowa	58.4	59.0	67.4
Massachusetts	61.1	62.8	64.7
Rhode Island	59.8	69.0	75.1
Wisconsin	62.4	66.0	66.8

#### Upward Trend in 1926 Loss Ratios

States	1924	1925	1926
Kansas	66.8	60.0	67.8
Louisiana	72.0	66.7	70.2
Maine	66.4	62.4	66.6
Maryland	63.3	60.9	63.1
Minnesota	75.3	67.2	69.6
New Mexico	79.6	61.0	65.7
Oklahoma	74.4	62.8	64.5
Virginia	64.3	59.4	62.5

#### Downward Trend Insufficient in 1926 Loss Ratios

States	1924	1925	1926
Connecticut	83.1	85.2	76.2
Michigan	61.6	61.2	61.4
Montana	68.6	74.2	73.3
Nebraska	74.3	75.7	71.4
New Hampshire	68.2	72.6	61.5
New Jersey	70.1	69.3	64.3
Texas	73.6	70.8	67.9
Utah	64.0	82.0	78.6

#### Downward Trend Sufficient in 1926 Loss Ratios

States	1924	1925	1926
Alabama	68.0	66.8	55.9
Georgia	68.8	64.6	53.5

## GAULDEN L. SMITH IS MADE VICE-PRESIDENT

### UNION INDEMNITY PROMOTION

Is Now Serving as Pacific Coast Executive Representative of Group in San Francisco

NEW ORLEANS, Oct. 17.—The Union Indemnity of New Orleans announces the promotion of Gaulden L. Smith to vice-president of the organization. Mr. Smith is the Pacific Coast executive representative of Union Indemnity with headquarters in San Francisco and is being elevated to a similar position in several of the other companies of Union Indemnity group.

Mr. Smith has been with Union Indemnity since its inception in 1920. Prior to that, he saw service in France as a first lieutenant of field artillery. With the formation of the Union Indemnity Mr. Smith was made special agent. He has served in various capacities in virtually every department of the company and in February, 1925, was made assistant manager of the San Francisco branch office. In August of the same year, Mr. Smith became manager of the San Francisco branch.

When the business of the International Indemnity was taken over by the Union Indemnity, Mr. Smith was made Pacific Coast executive representative, the duties of which he will fulfill as vice-president.

Idaho	70.5	65.5	58.5
Kentucky	60.6	53.8	59.5
New York	67.9	60.1	56.2
South Dakota	71.9	67.1	61.9
Tennessee	64.1	59.0	56.8
Vermont	58.1	65.2	58.0

#### Commentary Is Sad

It is a sad commentary on the experience for policy year 1926 that 24 out of the 32 states show underwriting losses ranging from 1 to 18 percent, leaving only eight states, or one-fourth of the total number, which developed satisfactory loss ratios. Moreover, five of the 10 largest states (California, Massachusetts, Illinois, Wisconsin and Indiana) show an upward trend in loss ratio for 1925 and 1926 as compared to 1924; three of the ten largest states (Texas, Michigan and New Jersey) show insufficient improvement in experience, leaving the 1926 loss ratio well above the permissible loss ratio. One of the ten largest states (Minnesota) shows an upward trend in loss ratio for 1926 as compared to 1925. New York is the only one of the 10 largest states showing a satisfactory loss ratio for 1926.

During the past five years stock casualty companies have incurred losses and expenses of more than \$56,000,000 in excess of workmen's compensation premiums received. Is there any sound reason for believing that this terrible record of the past will not be repeated in the future? In the absence of such a reason, can it be possible that the companies will sit idly by while underwriting losses mount higher and higher through defects in the rate-making machinery which are within the power of the companies to correct?

#### Loading Is Not Sufficient

The workmen's compensation expense ratios for all stock companies combined show 40 percent loading in rates is insufficient. The data is taken from New York casualty experience exhibit.

Expense Items	1923	1924	1925	1926	1927
Claim adjustment	9.1	9.3	9.3	9.2	9.5
Total acquisition	18.1	18.0	17.8	17.3	17.7
General administration	9.3	9.4	9.1	9.0	9.3
Inspection	3.4	2.8	2.9	2.6	2.7
Taxes	2.4	2.7	2.7	2.5	2.7
Total expenses	42.3	42.2	41.8	40.6	41.9
Losses incurred	67.6	71.6	67.4	67.3	65.2

Losses and expenses	1923	1924	1925	1926	1927
Other und. items (loss)	.5	.3	.1	.7	.3
Grand total	110.4	114.1	109.3	108.6	107.4
Undwr. loss.	10.4	14.1	9.3	8.6	7.4

#### Insurance Committee Chairman

W. F. Keyser, secretary of the Missouri Bankers Association, has been named chairman of the insurance committee of the American Bankers Association for the new year.

## ARGUMENTS HEARD ON LIABILITY RATES

### MASSACHUSETTS ISSUE UP

District Attorney Holds That the 1928 Tariffs Carry Through Next Year Without Change

BOSTON, MASS., Oct. 17.—Arguments are being made this week before the Massachusetts Supreme Court in the appeal case brought by the casualty companies against the commissioner of insurance, the registrar of motor vehicles and district attorney, in the compulsory automobile insurance rate issue. District Attorney Clapp held that under the statute the rates of 1928 are continued for next year in view of the fact that the insurance commissioner did not by Sept. 1 promulgate new rates. He said that the present situation might not have arisen had the law been left as it was originally as to the making of rates. The law provided then that the commissioner would pass on rates submitted by the companies. Under the modified law the commissioner now fixes the rates as shown by the experience of companies. Judge Carroll made inquiry as to whether the attorney general had held that the 1928 rates are really in effect for 1929 through any action of the insurance commissioner or statute provision. The attorney general stated there is nothing in the way of precedent as a guide but he contended under the statute the commissioner is given authority to modify or revise rates after due investigation and public hearing. If he makes no change it was stated that this is tantamount to continuing the current rates in spite of the fact that commissioner in his last order stated that the revised rates were "for and during the year 1928."

## GETS INSURANCE BUILDING

Massachusetts Bonding Buys the Structure at 130-4 William St. in New York City

NEW YORK, Oct. 17.—Charles F. Noyes Company has sold for Isidor Kahn, president of 134 William Street Company, to the Massachusetts Bonding in an all cash transaction, the 12-story Insurance building at 130-134 William street, New York City on plot 50x165 and valued at \$1,500,000. It is located on the easterly side of William street between John and Fulton and is one of the few 50-foot units on this most important of all blocks of insurance properties. Extensive improvements will be made and the ground floor and additional space will be occupied as the New York office of the Massachusetts Bonding.

Directly opposite the building is the six-story Globe & Rutgers building and the 12-story Underwriters' building.

#### Open New York Branch Office

A branch office of the Hudson Casualty of Jersey City, has been established at 2 Liberty street, New York City, with John E. Hogan as its manager. Mr. Hogan has been with the company for the past five years as underwriter and superintendent of agencies, prior to which he was connected with the London Guarantee & Accident.

#### F. X. McGrath Resigns

The Detroit Fidelity & Surety has announced the resignation of Francis X. McGrath, manager of its Kansas City branch office. It is reported that a well known surety man in Kansas City will take charge of this branch office.

The Guardian Casualty of Buffalo has been licensed in Connecticut.

## AGENTS KNOW LITTLE ABOUT RECIPROCALISM

G. E. Turner of the Casualty Information Clearing House Speaks

### ONTARIO AGENTS GATHER

Really No Competition Between Reciprocals and Companies, Because They Offer Different Services

An address on "Inter-Insurance Trading" was given by G. E. Turner, counsel of the Casualty Information Clearing House, before the Ontario Fire & Casualty Agents Association convention at Toronto this week. Mr. Turner said in part:

"Eighty-five percent of the licensed insurance agents of the United States are unable accurately to define reciprocal insurance or clearly explain its processes. Principally to that fact may be attributed such progress as has been made by inter-insurance in its competition with the stock companies.

"The average American insurance agent has never learned that in competition with any reciprocal for a specific bit of business there is but one issue involved. The result is, that in 99 percent of these individual competitions, this fundamental issue is never raised. The agent's selling talk hovers aimlessly about 'price' and 'policy form' and 'assessments' and whatever else may perchance come to his mind and the competition is won or lost without his having brought to the assured's attention the one issue which must be determined before any of the things about which he has been talking could possibly be of the least significance.

#### Really No Competition

"Literally, there is no such thing as competition between a stock company and a reciprocal for a given risk. What actually happens is, that the agent of the stock company seeks to sell the prospect a policy of insurance while the reciprocal solicitor seeks to persuade the man not to buy insurance at all. It is from this fact that the one principal issue arises. When the stock company agent meets the reciprocal solicitor in controversy or so-called 'competition' over a given risk, the assured is called upon to make one major decision. He must decide whether he will buy insurance from an insurance company or enter a trading pool through which his protection will be undertaken by a group of other traders. No man can make that decision intelligently unless he thoroughly understands the practical significance of his choice.

#### Unfortunate Condition Developed

"There has developed a condition unfortunate alike to agents and the public and which is not now easily corrected. The promoters of reciprocal insurance and their representatives go about the country talking about 'my company' as though they were agents of insurance companies and dealing with the public precisely on the same basis as though they were selling insurance. They deliver a policy to a subscriber, collect a sum of money, refer to the payment as a premium and deliberately leave the impression that they have sold the man insurance. They go about their business clothed in the guise of insurance agents, speaking insurance company language, and dealing with the public on the reputation and in the good name of the business which they would have

(CONTINUED ON PAGE 56)

YEARS STANDARD'S ADVERTISING DEPARTMENT HAS GROWN

TO BE ONE OF THE LARGEST AND BEST EQUIPPED IN THE INSURANCE BUSINESS. • IN FOUR



## JOHNSON'S LETTER Starts Something

**J**OHNSON is the average busy insurance agent. He knows the value of advertising, but he hasn't the time to carry out all the details necessary to produce the results.

Immediately after signing up with the Standard, he heard of the big, modern advertising department maintained by this company. A letter to the department started the ball rolling.

Here's what happened. Expert advertising men, trained in every phase of advertising and specialized in insurance advertising, considered his problem. Then from a wealth of experience with other agents who had similar problems, they drew forth suggestions and outlined advertising plans to relieve Johnson of the details of advertising and to systematically increase his business. That's what Johnson's letter started. It is what every Standard agent's letter starts.

In many cases, a detailed proposal is drawn up giving a complete plan of procedure, individualized for the agent for whom it is intended. Full details of the plan are given—every step is made clear.

After the work has been planned—and the agent approves it—Standard's Advertising Department steps in and works the plan.

*A detailed account of the many free services for Standard's agents will be given in this series of ads demonstrating the facilities of Standard's big advertising department. Copies of preceding ads will be sent on request.*

**STANDARD ACCIDENT INSURANCE CO.**  
Home Office—Detroit, Michigan

OF THE LARGEST AND BEST EQUIPPED IN THE INSURANCE

## IMPERTINENT IMPRESSIONS FROM THE WHITE SULPHUR SPRINGS CONVENTION

BY PHIL BRANIFF  
Impressionist Extraordinary

### BEAUTY CONTEST

How 'bout a beauty contest? Why not? Ain't we got beauty as well as brains? Lookit this bunch and pick your favorite.

Here is Dick Thompson. Lookit them eyes! Watch that dignified manner. Dick would look good on anybody's porch swing. He swims, rides, plays golf 'n has danced twice. Dick has led such a straight life that he is harder to get anything on than a buckin' broncho.

Here's Billie Wilson. Ahhhh! Billie stands out like a lighthouse in a fog. Now Billie has never been mistaken for Annette Kellerman but he spends a lot of the time in the water—while he's playin' golf. This is his first beauty contest. He has never lost a contest yet.

Jim Henry. From Pittsburgh, so of course he smokes. Good golfer. Goes around in fours (plus fours). Lookit that figure (stand back so you can see all of it). Gentle, kind and gives you strokes and a receipt.

Ed C. Stone. Deals in profitable premiums. When he started to the convention they suggested that he buy some golf clubs 'n he told 'em he already had one. Ed accomplished a feat that few men do. He broke a hundred. Then, much to his own surprise, he won a golf prize, a beautiful cup. The customary Ed Stone dignity faded and the man who never raises an eyelid at million dollar problems, spent the evening with a ten-inch smile carrying the trophy and explaining how he did it.

Wallace Falvey should be in the money. There is something strange about Wallace this year. He goes around with a far away look in his good eye. Says he can't get a "click." But I heard it and it wasn't on the golf course. Wallace has a patent corkscrew which he will lend to anybody under certain conditions.

W. A. Earls has a good chance. He knows his golf clubs. He has more things in the bag than Santa Claus and gets off with more silver than a couple of night visitors.

John Mee couldn't finish worse than first. Lookit that boy. Them hairs! That stern look 'n them gentle eyes. He can stay up like a flag-pole sitter 'n get less sleep 'n come out the next morning lookin' as fresh as the way you hope the oysters are. John is a dangerous contender.

George Turner has a way about him. He is the fellow who your pardner always seems willing to go to when he breaks in on you on the dance floor. George is an orator, a lawyer, a hooper, a golf player and can certainly make the visiting guest feel at home. So look out!

W. G. Curtis is the gentleman on the platform. Bill has won many prizes and contests are no novelty to him. He builds golf courses during his spare hours. Such fiendish work. Fancy building those sand traps that take so many hours to get out of. Bill wanted to send for Edgar Guest's golf knickers as soon as he heard about this beauty contest but we insist that all contestants wear their own pants.

Tom Braniff insists that he is not getting fat and that the extra circumference is caused by his heavy underwear. Tom is trying to break an old family jinx by winning a beauty contest but unless he can get the judges to make it a blindfold test, there won't be any Braniffs in the finals.

Charley Burras ought to have a chance at the prize. Charley looks so

important he is apt to be mistaken for one of those Greenbriar head waiters. He has been toastmaster so long and so many times that he can stand anything except still. Though Charley lives in Chicago, most of his friends are still alive. The better you know him the more you'll believe he will win.

George Webb is one of those strong, silent men you read about who discover North Poles 'n things. When he talks other folks listen. I never could make 'em do that. George is in the motorboat class on the links. Four putts and she sinks.

Wade Fetzter is the kind of a fellow people go 'round sayin' nice things



PHIL BRANIFF

about. He has a rare virtue, modesty. Modesty has won lots of beauty contests.

Spencer Welton, the same complimenting, entertaining, makin'-it-easy, smoothin'-it-out, helpin'-you-cross Spencer Welton. He once wrote "I never met a lemon" then I came along and spoiled his record. Spencer broke a course record in St. Louis and then made the mistake of playing there again. The second time he broke the course in several places but not the record.

Tommy Grahame. Sometimes Tommy talkssofastIcan'tfollow him but when I catch up I like it. Tommy plays golf, bridge 'n post-office. Of course you know how it is on the dance floor. There's just nobody there but Tommy.

Duncan Reid. Come on out from behind that shrubbery 'n let the folks see you. There you are! I told you there was a smile behind that mustache. He's a prize winner sure.

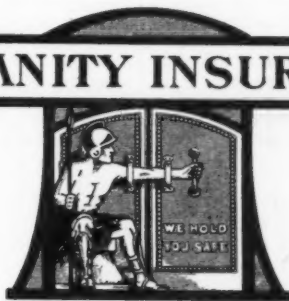
They came from California 'n from Maine, from Georgia 'n from Massachusetts 'n while they were there—well, lemme tell you about that, but stop me if you've already heard it:

The "Big Berthas" of the insurance profession. Fellows who can raise a billion dollars but sometimes can't sink a ten inch putt. Men who drive their dubbys at home 'n dub their drives at White Sulphur. Men with short pants at the knees 'n long pants on the hills. Men who swear by, at, for, to 'n with each other. Hundreds of them. Each man distinctly different from his companion. His ideas may be different, likewise his views but he is there not to force his idea but to exchange it with the other fellow.

Bill Mooney was Aetnaizing as usual.



## BANKERS INDEMNITY INSURANCE COMPANY



31 S. Clinton St.  
NEWARK, NEW JERSEY

The Bankers Indemnity Insurance Company was organized in the spring of 1926 with a capital of \$500,000.00 and with a surplus of \$1,000,000.00. In November, 1927, there was paid in an additional \$1,250,000.00, of which \$500,000.00 was applied to capital and \$750,000.00 to surplus. The company is now operating in the States of Rhode Island, Connecticut, New Jersey, Pennsylvania, Delaware, Maryland, West Virginia, Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, North Dakota, South Dakota, California, Georgia, Alabama and Vermont and the District of Columbia.

We are now preparing to enter the States of Colorado, Maine and New Hampshire.

### SAFER PROTECTION

The company made a departure from established custom by making the minimum standard limits, \$7,500/15,000 for bodily injury and \$1,500 property damage liability without any increase in premium over what is ordinarily charged for \$5,000/10,000, and \$1,000 limits respectively. This removes the policyholder from the *danger-zone* to the *safety zone*. These limits apply to all classes of public liability except public passenger carrying vehicles and elevators.

The company is writing:

*Automobile Liability—Bodily Injuries*  
*Automobile Property Damage Liability*  
*Automobile Collision*  
*Automobile Plate Glass Breakage*  
*Automobile Personal Accident*  
*Teams Liability*  
*Workmen's Compensation*  
*Owners', Landlords' and Tenants' Liability*  
*Golfers and Sports Liability*  
*Manufacturers' and Contractors' Public Liability*  
*Plate Glass Insurance*  
*Personal Accident and Health*  
*Burglary*

This is the second calendar year of our operations and the indications are that our premium writings will be approximately \$2,500,000.00.

FREDERICK E. WILKENS,  
*Vice-President and General Manager.*

Wallace Falvey had "openers" but nothing to open.

Bill Lemp had a beautiful responsibility.

Tommy Grahame hadn't lost his zip. Dick Thompson is still the "iron man."

Jim Henry made the usual additions to his friendship list.

Spencer Welton still helps people meet people.

Ed St. John has quit playing poker—at night.

Charley Burras filled an inside straight (dammit!).

F. Robby Jones ran around like there was work going on.

Ed C. Stone cut eighty strokes off his score in one day.

Bill Wilson took it away on the course 'n gave it back in his room.

Duncan Reid hasn't bobbed his mustache.

John Mee positively doesn't marcel his hair.

George Turner keeps his eyes on the ball, while the orchestra plays.

R. H. Towner can cut up on a horse like I suspect my butcher does.

Jack Yost missed a prize by one stroke.

George Webb smiled as he came out of the Colonial Club.

Tom Braniff shot a 75 (ten years ago somewhere else).

Carl Hansen took up a collection in room number 300.

Andy Johnson is a master of superlatives.

Clarence Axman only tells 10 percent of what he knows.

Sam Bogart drives a ball and then looks under himself to see if he hit it.

Owen Mitchell can hit a ball harder than the blue-sky-law.

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Bill Wilson is now president of the National Association of Casualty & Surety Underwriters. That means the association will be able to build its own hotel in a couple of years. Bill will

have it paying dividends right away. And as far as warding off the troubles of the year is concerned, Bill will play his usual game and will give the devil a stroke a hole 'n reserve the privilege of buying back a stroke for a dollar. In six months, every member will have a pitch fork for a souvenir and a couple of little devils for valets. Bill can't play golf very well. But he is different from many people who can't play golf. He knows it. And, knowing it, he wins the game before he hits the ball. Many people don't believe it. Three by three they are convinced.

\*\*\*

Well, that's all until next year. Then they'll be back again. The same crowd. And a few more. They'll play golf 'n they'll talk over their troubles. They'll make the business a better business and the game of golf a better one. They'll work together 'n play together 'n when the last day comes 'n sun sinks back of those Allegheny hills, when the gold rays of the sun's last kiss settles on the russet leaves and the shadows stretch out to put the grass to bed, 'n when the lights brighten up the lobby of the Greenbrier 'n the head porter sounds his "all aboard for the east bound train" they'll say goodbye again, with a gripping hand and a silent wish that they meet again, for they like each other, one for all and all for one.

\*\*\*

And so I place my pencil back in the desk 'n go out to seek my fortune in the insurance business, remembering all the time what my old German grandmother told me: "Insurance, like a pretzel, isn't so good until it's tied up." I'll swear I think I ought to have a 20 handicap.

#### ALLIANCE CASUALTY IS READY TO OPEN DOORS

The new Alliance Casualty of Philadelphia which is to be associated with

the Insurance Company of North America fleet has now been formally organized with \$1,000,000 capital and a like amount of surplus. The officers are the same as those of the Indemnity Insurance Company of North America. Charles F. Frizzell, vice-president and general manager, will look after both companies. Benjamin Rush, who is president of the North America, is president of the two casualty companies. The Philadelphia branch office will be managed by Howard Hager, who recently resigned from the Aetna Casualty & Surety to take his new position. A metropolitan office will be opened in New York City.

#### Bartels Becomes Independent Adjuster

G. R. Bartels, who for the past two and one-half years has been associated with the Chicago branch office of the Union Indemnity and Northwestern Casualty & Surety as superintendent of claims, has entered the field of independent adjusters with offices at 166 West Jackson boulevard, Chicago. He was also connected with the Globe Indemnity's Chicago office as manager of its casualty department as well as with several other casualty offices during the past 11 years.

Mr. Bartels will handle accident and health, plate glass, liability, casualty, compensation, automobile, burglary and surety claims.

#### Accident Faker Jailed

DENVER, COLO., Oct. 17.—A man giving the name of William Spurrier tripped over an electric light cord in the Denver store of Kress & Co. He claimed that in the fall his thumb was dislocated and claimed damages. The Maryland Casualty, which covers the Kress stores, settled for \$55. The same afternoon the same man tripped over a box in Woolworth's and claimed to have hurt his shoulder and would be satisfied to settle for \$110. H. M. Shulenberger, agent for the Travelers, which covers the Woolworth stores, had heard of the Kress event and notified Robert E. Bartlett of the Sampson Investigation Service.

Bartlett drew from the man that he had worked this same kind of faking in various cities throughout the country and had collected about \$800 in the last 18 months. His arrest followed.

#### Century Indemnity Moves

The Century Indemnity, western department, of which George F. Gehrke is resident manager, will move its offices from 410 North Michigan avenue to Room A-1801-9 Insurance Exchange building, effective Nov. 1. At that time the bonding and casualty departments will be consolidated. At the present time Hugh T. Millard, manager of the bonding department, has temporary offices on the 18th floor of the new section and will occupy the same quarters with the casualty department, when the move takes place.

#### Coan With Union Indemnity

Warren A. Coan has joined the agency staff of the Chicago branch office of the Union Indemnity group. Mr. Coan was formerly special agent for the London & Lancashire for Michigan and northern Indiana. He will be special agent for Cook, Dupage, Kane and Lake counties for both the Union Indemnity and the Northwestern Casualty & Surety.

#### Settle Liability Case

LINCOLN, NEB., Oct. 17.—The four towns of Hastings, Ayr, Holstein and Roseland in Nebraska, have paid \$2,500 in settlement of the \$20,000 damage case recently begun by Mrs. Ida M. Easter for the killing of her husband when he came in contact with a high tension transmission wire. None of the towns carried liability insurance except Hastings, and the damages paid are to be apportioned among them.

#### Sours Is General Agent

The Union Indemnity and Northwestern Casualty & Surety announce the appointment of W. G. Sours as general agent for Mississippi. He will have associated with him Ray Peterson, as manager of the casualty and surety department. The headquarters are at 146 East Capital street, Jackson.



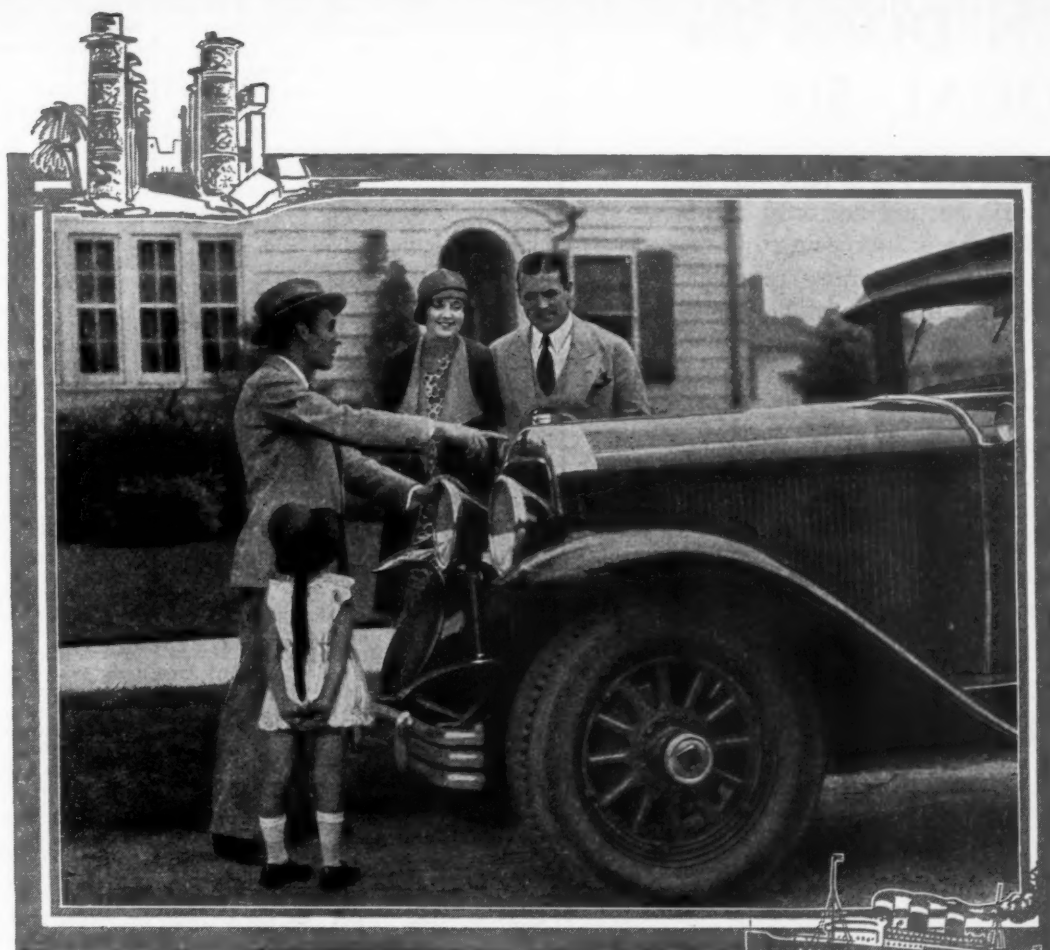
**Capable management, ample resources,  
plus enthusiastic co-operation, are  
constantly adding to the number of  
our live wire producers. Our  
organization will stand  
the test of critical analysis.  
Write.**

**Officers**

Joseph W. Ward . . . President  
J. Ray Donahue . . . Vice-President  
Ray E. Latshaw . . . Vice-President  
Frank P. Martin . . . Vice-President  
E. C. Smith, Jr. . . . Vice-President  
John F. Collins . . . . . Treasurer

**PENNSYLVANIA SURETY CORPORATION**  
**WABASH BUILDING**      **PITTSBURGH, PA.**





**When wanting  
is having!** A more attractive home—a better car—  
travel—whatever in reason an Ætna  
representative wants—for himself or his family—he can have.

He gets out of business exactly what he puts into it, so wanting is only a preliminary to having. Less time spent unproductively, more use of special facilities which his company provides to help him in the development of his business—and his income keeps pace with his desires.

*It Pays  
to be an  
Ætna-izer*

## ÆTNA LIFE INSURANCE COMPANY

*and affiliated companies*

ÆTNA CASUALTY & SURETY CO. STANDARD FIRE INSURANCE CO.  
AUTOMOBILE INSURANCE COMPANY  
of Hartford, Connecticut

## WHEN DOES 2½ EQUAL 50?

When an agent gets 7½% renewals instead of 5%, he is getting not only an increase of 2½%,—he is increasing his renewals 50%. The man whose renewals amount to \$400 per month under a 5% renewal contract would be getting \$600 under a 7½% renewal contract. Most agents are agreed that the real money in the life insurance business is in renewals. Why wear blinders when considering an agency contract? Discriminating agents are getting 7½% non-forfeitable renewal contracts. We invite your inspection of the splendid record we are making.

### The WISCONSIN LIFE INSURANCE COMPANY



MADISON, WISCONSIN

N. J. FREY,  
President



Financial strength and years of experience—both necessary for the successful writing of casualty insurance and surety bonds.

**ROYAL INDEMNITY COMPANY**  
150 WILLIAM STREET  
NEW YORK

## AVIATION COMPANIES NOW IN THE FIELD

(CONTINUED FROM PAGE 3)

tion shares recently. The stocks of these new concerns are being entered this week on the Chicago and Boston exchanges. The Aero and Aero Indemnity are strongly financed, capital and surplus of both representing \$3,000,000 and this being turned over at once by the bankers supporting the organization so that there was no initial organization delay. The companies are now licensed in New York and ready to operate, the only delay being in receipt of policy forms and licenses in some of the western states. Barber & Baldwin are functioning for the companies through their other resources in the meantime and expect to begin writing policies in the new companies within a week or so. This will make no change in the other Barber & Baldwin connections, of course. That office will continue as underwriters for the Independence companies and others for which they have been acting.

### Have Strong Backing

The two new insurance companies have a strong backing of leaders in aviation, insurance and banking. Among the directors are: Prof. Alexander Klemin of the Daniel Guggenheim School of Aeronautics; Major-General Mason M. Patrick, recently retired chief of Air Service Corps of the United States army; Col. Benjamin F. Castle, financier and treasurer of the National Aeronautical Association; Frederick B. Rentchler, president of the Pratt & Whitney Aircraft Company; Thomas B.

Boss, president, American Reserve Insurance Company; Hartwell Cabell, prominent insurance attorney; Henry Moir, president, United States Life; A. L. Gates, vice-president New York Trust Company; Charles E. McManus, president Crown Cork & Seal Company; L. Brooks Leavitt of Paine, Webber & Co., investment house; J. V. Forrestal of Dillon, Read & Co., investment house; Walter W. Colpitts, consulting engineer. These men are leaders in all three fields and give strong backing to the companies in all of their contacts. Mr. Barber and Major Lloyd, of course, have been leaders in insurance underwriting for many years.

One of the peculiar phases of the new organization is the engineering service which will be rendered through the specialized company of the fleet. Barber & Baldwin have long developed a special engineering service for applicants and risks and through it have made many uninsurable risks insurable and have saved their policyholders much money on their own account, in addition to reduced insurance rates. Now this service will be expanded and a rapid nationwide service offered through the engineering company. A plane will be at readiness at all times to carry specialists into the field at the call of agents and policyholders and full field service rendered by the personal representatives of the companies. In the underwriting of fleets this is particularly valuable. The agency force of the new companies will always be able, through the superintendent of agencies, to call on the head office for this service, which is peculiar to aviation and an added factor in this new type of underwriting.

## WORKMEN'S COMPENSATION

### URGES AID FOR COMPANIES

Chicago Expert Says Doctors and Brokers Should Assist in Reducing Compensation Losses

J. Robert Johnson, a Chicago broker and expert on workmen's compensation insurance, made an appeal in a recent address for doctors and brokers to aid insurance companies in reducing the latter's losses on workmen's compensation coverage. Mr. Johnson said that although the doctors and brokers make money on the compensation coverage because they always get their fees and commissions, they should help make the companies' burden lighter.

The companies cannot afford to drop the compensation lines although they are not making money, Mr. Johnson said, because of the agency system. Many of the companies are writing multiple lines and if they desire the business on all of these they must write compensation. If they refuse to write the line, reciprocals will take the business, which later might mean the spread of reciprocalism to the other insurance coverages.

### Get More Than Workmen

Doctors, Mr. Johnson said, are getting more money out of the compensation insurance than the workmen. Of course the companies would rather pay doctors' bills to prevent loss of time on accidents that may result in infections and amputations if not cared for properly. Mr. Johnson then quoted an authority as saying that during the past 15 years the cost of living has advanced 68 percent while during the same period hospital costs have run up to 135 percent.

Mr. Johnson urged that the doctors get better acquainted with the factories and industries which are sending them their patients. He said if a patient comes for treatment for an injured eye and works in a foundry, he certainly would require different treatment than one who came from a candy factory. It is a good idea for a doctor to inform

the employer if a certain man comes for medical treatments very often. It shows that the man is careless. He makes a poor compensation risk and runs up the employer's bad experience with the company that may result in cancellation. Doctors should also check up on the first aid kits occasionally and see that medicines and bandages are kept fresh.

### Should Look Over Men

He also urged that the doctors go to the plant and look over the men as they work, as occasionally they can detect a man who needs medical treatment. Many times the physical condition of a man is cause of more accidents than the failure of having proper safety devices in the plant, said Mr. Johnson. If a man has a touch of dizziness when he is working on or near a dangerous machine, or if his eyesight is bad, he may accidentally get his hand in the way. Mr. Johnson said that doctors should conduct inspections of plants like the insurance companies' safety engineers.

It is the broker's duty to keep his client informed from time to time on various compensation problems, said Mr. Johnson, and the brokers should try to sell the idea of safety, the advisability of training employees in the administering of first aid and the importance of safeguarding machinery. He said that it is profitable for the brokers to do all they can to reduce the hazards because if a client's compensation line proves unprofitable the company will want to cancel the risk and then the broker has to go to all of the work of finding some other company to take it and reselling the new carrier to the client.

### LEWIS OBJECTS TO NEW COMPENSATION RATES

PIERRE, S. D., Oct. 17.—Commissioner Don C. Lewis has issued orders based on the hearing in September in regard to workmen's compensation rates fixed for South Dakota, by the National Council on Compensation Insurance. He disapproves \$10 expense constant on



## SEVEN 7 POINT FULL COVERAGE AUTOMOBILE POLICY



### *A Share in the Profits*

Surely, merit should be rewarded. The agent who produces a carefully selected volume of profitable business is entitled to some consideration.

The Republic Casualty & Surety Company takes its agents into partnership and shares profits with agents who make profits. This plan is appealing to good agents—and profitable, too. Details gladly sent on request.



**REPUBLIC**  
CASUALTY and SURETY COMPANY  
35 East Wacker Drive  
CHICAGO

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**A U T O M O B I L E      I N S U R A N C E**

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# Tell Me—Is This a "Rotten" Ad?

... My "Boss" said  
it was ... but, I'm  
going to "leave it to  
you." ...

You're not going to  
write Insurance for any  
Company, unless they  
have what you want,  
and know you need,  
are you?

Of Course, We Have

## "Everything Under the Sun"

... And then some,  
for instance ...

1. Non-Medical
2. Monthly Premium
3. Juvenile Policies
4. Payor Insurance
5. Salary Savings
6. Participating
7. Non-Participating
8. Sub-Standard
9. Female Insurance
10. Sales Promotion Dept.
11. Educational Course
12. Direct Mail Advertising
13. Salesman's Folio
14. School for General Agents
15. Accident and Health

**Abraham Lincoln Life  
Insurance Company**  
SPRINGFIELD, ILLINOIS

H. B. HILL, President  
F. M. FEFFER, Vice-President  
and Agency Manager

Here is my name ...  
Address ...  
City ...  
Write and tell me  
how your men do  
it. Of course I am  
interested.  
N.U. 12

all policies with less than a \$300 premium and he also objects to the provision to the premium rating placed on executive officers of companies and corporations operating in South Dakota, which he says is not a reasonable estimate of wage values.

In his general memorandum in regard to the hearings, Commissioner Lewis said: "At the hearing held upon the matter of the introduction of the expense constant, the revision of the minimum premium formula and the change in the expense loading of workmen's compensation rates, it was conceded by counsel who appeared both for and against the proposal, that this change in rate making procedure in South Dakota would in fact produce a considerable increase in premium income."

"Because of the very large percentage of small risks in South Dakota the change would result in an increase in the premium income with comparatively slight benefit to the few large risks. I am not at all satisfied that the principle of applying the expense constant as a surcharge is justified in any line of insurance, and particularly so in a line which is practically compulsory in this state."

### Electrical Injuries Increasing

MADISON, WIS., Oct. 17.—Increased use of electric energy in industry has raised electric hazards to one of the more important causes of industrial accidents in the state and 98 compensable cases settled in 1927 resulted in 16 deaths, nine cases of permanent partial disability for life and 73 cases of temporary disability, according to a report by the state industrial commission.

The commission points out that more than a quarter of all compensable injuries caused by electric currents resulted in death or permanent partial disability.

"The severity of electric injuries is high in comparison with accidents from most other causes," the commission says. "The experience emphasizes the importance of making electrical appliances and equipment safe for everyone."

The cases settled cost a total of \$91,337 in indemnity and \$11,370 in medical aid with a weighted time loss of 108,722 working days or the equivalent of a 300 working day year for 362 men.

### Homeward Journey Not Covered

LANSING, MICH., Oct. 17.—Michigan's compensation law does not extend to employers returning home at night following their day's employment according to a recent decision of the supreme court in the case of H. R. Stocker vs. Southfield Company, operator of a riding academy. Stocker, a horse-buyer for the

company, was returning to his home at night after having spent the day in purchasing animals throughout the country when he was struck by an automobile. He was given a compensation award by the department of labor and industry but the award is set aside by the high tribunal.

### Not Interstate Commerce

OGDEN, UTAH, Oct. 17.—The United States Supreme Court has refused to review the Utah Supreme Court's decision in the case of Joseph Surridge against the Southern Pacific Railway. It was decided in the case that if a man is mowing weeds along the right of way of an interstate railroad he is engaged in interstate commerce, but if in mowing weeds he bends the bar of the machine so that he has to repair it, he is not in interstate commerce while so repairing the machinery. Thus if a strip of iron files off the handle of the machine he is repairing and hits him in the eye, the injury is compensable under the state compensation law and does not come under the scope of the federal employers' liability act.

### Killed in Fist Fight; Not Covered

MADISON, Oct. 17.—An unique compensation insurance case which was before the Wisconsin industrial commission has been turned down by the commission and the widow of the deceased denied compensation insurance.

M. J. Lightfoot, sales manager of the Murphy Products Company, Burlington, Wis., engaged in a fist fight with one of his salesmen and died of his injuries. The fight occurred at a conference with the salesman to discuss why the latter did not produce more business.

Both men were covered by compensation insurance, but the salesman had turned in his resignation before the fight took place and the industrial commission declared in its decision that the relationship of coemployees did not exist at the time of the fight.

### Wisconsin Bureau Reports

MILWAUKEE, Oct. 17.—The Wisconsin industrial commission closed its records in 20,472 compensable injury cases settled under the workmen's compensation act in 1927, it is reported in a bulletin which has just been issued by the commission. These cases included 206 deaths, five cases of permanent total disability, 1,848 cases of permanent partial disability for life, and 18,414 cases of temporary disability injuries, each of more than seven calendar days' duration.

The aggregate working days' time loss due to these injuries totals the time of 10,118 men for one year. The total amount of indemnity paid was \$3,662,406, the total amount of medical aid paid was \$1,114,056, and the total funeral benefits paid was \$40,115, for a grand total of \$4,816,577.

## WITH BURGLARY UNDERWRITERS

### DETAILS OF REDUCTION GIVEN

Bureau's Rate Revisions Affect New York Metropolitan Area—Syracuse on Favored List

NEW YORK, Oct. 17.—A substantial reduction has gone into effect here in residence burglary, robbery, theft and larceny and personal holdup rates. The National Bureau of Casualty & Surety Underwriters has finished a revision of rates for New York state affecting stealing from residences and personal holdups.

In Manhattan and in the Bronx, residence burglary insurance rates are reduced 12 percent and there is a 14 percent reduction in the rates for personal holdup insurance.

In Queens, Staten Island, Nassau, Rockland, Westchester and Suffolk counties, there is a reduction in residence burglary insurance rates of 17½ percent. The rates for Brooklyn remain the same.

In Onondaga county and Syracuse, there is a reduction in residence burglary insurance of 17½ percent and a reduc-

tion in personal holdup insurance of 16½ percent. These reductions follow cuts in the rates made last February for Buffalo and other places in New York.

In the metropolitan area affected by the reductions, the premiums paid annually by citizens for protection against burglaries of their residences and personal holdup amount to about \$3,000,000.

### Offer Reward in Nebraska

LINCOLN, NEB., Oct. 17.—The number of costly bank burglaries, usually holdups, has stirred the bankers of Nebraska to the point of offering \$5,000 for every bandit shot in the act of robbing one of the institutions contributing the fund. This is expected to stiffen the resistance of bank officers themselves, by offering them an incentive to use their firearms against holdup men who appear. The reward does not apply to live bandits captured, as these usually are able to get off with comparatively light sentences. Nearly all the banks in the state have agreed to contribute to the fund, which is to be administered by the state association officers.

The idea is borrowed from Texas, where the plan has been tried out with the result that bank holdups have ma-

terially decreased. Posters announcing the reward will be conspicuously placed in the banks, as well as tacked up in other places outside. "Dead or dying" is the way the reward will be conditioned.

### Burglars Active in Nebraska

LINCOLN, NEB., Oct. 17.—Heavy burglary losses were sustained during the past week in a series of store robberies at Wymore, Murray, Fairbury, Beatrice, Columbus and Elwood. In several places goods valued at \$2,500 were taken, trucks being used in each instance. At Murray one store, the Murray Mercantile Co., was robbed for the third time in seven months. In several cases automobiles were taken presumably by members of the robber gang. At Columbus seven cars were stolen in one night. The efforts of the state sheriff's detectives and local officials has so far failed to develop any clues that would justify arrests.

### Installs Armor Plate Fixtures

ROY, WASH., Oct. 17.—The Roy State Bank, after having been held up three times and suffered the loss of large sums of money on each occasion, has now displaced the marble and wood fixtures and partitions, and instead has protected its force and money with one-inch steel armor plate, safety bullet-proof glass and also installed seven burglar alarms. In addition a sawed-off shotgun and three 38-caliber revolvers are also within easy reach.

As the result of the three robberies within a recent period the Metropolitan Casualty, through its general agents, Hansen & Rowland of Tacoma, has paid the Roy State Bank \$10,274.

## ACCIDENT AND HEALTH

### DETROIT MANAGERS ORGANIZE

Officers Elected by Newly Formed Accident and Health Association in Michigan City

DETROIT, Oct. 17.—The initial organization meeting of the Accident & Health Managers Association of Detroit was held Friday night, at which plans were formulated for increasing the present substantial membership.

Officers of the new organization are E. H. McFarland, Michigan supervisor North American Accident, president; Fred Grainger, agency director Federal Casualty, vice-president; Waldemar L. Roeser, state manager General Accident, treasurer, and J. P. Collins, assistant agency manager National Casualty, secretary.

Members of the nominating committee include George Brown, chairman; R. H. MacKinnon and Harry A. Barber. The legislative committee includes Mr. MacKinnon, Armand Sommer and Frank W. Hussey.

The purpose of the organization, as stated by President McFarland, is to obtain closer cooperation between home offices and field representatives through interchange of ideas and problems and to present a round table of field problems for association members. The new club will hold its first luncheon Oct. 29. Regular meetings will probably be held on the second Monday of each month.

### WILL ERECT NEW BUILDING

American Bankers Will Have Twelve Story Structure on Its Site in Chicago

The American Bankers with executive office at Jacksonville, Ill., has completed plans for a 12-story office building to be erected at the southeast corner of Cass and East Ohio streets in Chicago. This site is owned by the American Bankers and its home office is located there. The American Bankers and the Clover Leaf Life & Casualty of Jacksonville were combined, the merged company taking the American Bankers'



name and charter. At the Chicago office a number of activities of the company are conducted. The new building will cost about \$900,000. The exterior will be of Bedford stone with base of polished granite. The buildings now on the site, which is 100x100 feet, are to be wrecked. Much of the insurance work done at Chicago will, after Nov. 1, be taken care of at Jacksonville, Ill., until the new building is completed late in the summer of 1929. The American Bankers will occupy one floor of the new building.

### YEAR'S EXPERIENCE BETTER

**Results on Accident and Health Brighter for First Nine Months Than in 1927**

PHILADELPHIA, Oct. 17.—Accident and health underwriters have found a silver lining in the dark clouds that have been enshrouding them. The silver lining is mighty tiny but it's there just the same.

The experience for the first nine months of the year show that the combined loss ratio of the two lines, particularly the health line, is slightly better than it was for the same period of last year. According to the various companies, the combined loss ratio was about 54 percent for the first nine months of this year.

The accident loss ratio has remained practically stationary and is around 46 percent while the health experience is placed at 60 percent.

New business, which seemed to have fallen by the wayside the early part of the year, has been picking up of recent weeks and the year as a whole promises to be very gratifying—as compared to last year.

Companies, not alone in Philadelphia but in all insurance centers, are said to be fighting shy now of jumbo health policies. The experience has been so bad on large amounts of indemnity, that a majority of the companies have fixed their limit at \$50 weekly indemnity and even then are mighty careful of the risks they accept for that amount.

One underwriter, in discussing the situation, declared that when a company writes a health policy calling for a weekly indemnity of \$100, the odds are immediately 4 to 1 against the company, whereas if four policies at \$25 a week were written, the odds, in a way, are with the company.

A turn in the better in the experience is looked for now that the companies have put their foot down on the large policies.

### Quits Great Western Post

Miss Myrtle B. Hills, assistant secretary and office manager of the Great Western of Des Moines, has resigned. Miss Hills, who has been office manager for the company for 14 years, will leave early in November for Los Angeles to make her home. She joined the Great Western in 1912, and in addition to being assistant secretary and office manager, acted as director of personnel.

Miss Velma Vought, who has been in charge of the Des Moines city office of the company, also has resigned, and will accompany Miss Hills to the west coast.

### Opens Chicago Office

The Income Guaranty has opened a Chicago office at 743 First National Bank building. The office will be in charge of A. N. Hepler, Sr., president of the company. Later an Illinois manager to operate from the Chicago office may be appointed.

### Time's Team Contest

A contest among six teams of 10 men each has been inaugurated by the Time of Milwaukee, for the last quarter of 1928. The teams comprise producing agents in the entire territory, in which the company does business.

The "Tico" Club, composed of the Milwaukee agents, has two teams, one headed by John D. Rogers, and the other by E. C. Moon. T. J. Tuchscher, La

Crosse, captains the "Tigers," the team which defeated the "Tico" club in a contest earlier in the year. D. A. Fuller is captain of the "Wildcats"; Frank Werner of the "Badgers," and the Michigan agents are grouped under the "Wolverine" team led by William Haas.

### Hunting Season Creates Prospects

Agents who sell accident and health coverage will soon have a host of new prospects to visit at a time when they are thinking of possible accidents. All over the United States the hunting season opens soon or already has opened. Rifles and shotguns will crack and bang, feathers and fur will fly, and now and again some human's skin will be punctured. Also ankles, legs, collarbones and other anatomic necessities will be broken. Any hunter who has had much experience in the blind, the field and the woods has known of such mishaps or has suffered them. He knows what can happen, and the agent should have little difficulty proving to him the value of insurance protection.

### Comes Within Aviation Clause

In order to meet the requirements of the regular aviation clause of accident insurance policies as to covering passengers while traveling with licensed pilots over regular routes and between definitely established airports, the Embury Riddle Company in Cincinnati

makes all of its exhibition flights over a regular route. Short route trips are sold for one price and longer route trips for a higher price. The Embury Riddle Company declares that it is meeting the requirements of the insurance policy by following such a schedule.

### Names Iowa Field Director

F. F. Glover has been appointed field director for Iowa by the Travelers Mutual Casualty. The company, which was reorganized in April, is building up its agency force. Leo Brawford has been employed as district manager for north-west Iowa and four other district supervisors will be selected.

### Appointed General Agent

The Deatherage - Ohme insurance agency of Spokane has been appointed Washington general agent for the accident and health department of the Great Northern Life.

### New Company at Pana, Ill.

The Farmers & Bankers Mutual Benefit Association of Pana, Ill., has been organized as a mutual life and accident insurance company. The incorporators are: John Gillespie, vice-president of the Pana National Bank; Ernest L. White, former president of the same bank; David N. White, Otis Slater, and A. W. Frankenfield, all of Pana.

## PERSONAL GLIMPSES OF CASUALTY MEN

The department heads and employees of the Los Angeles branch of the United States Fidelity & Guaranty gave to Ernest A. Robbins, manager of the branch, a dinner in celebration of his 26th anniversary with the company. The arrangement was made by T. W. Wisdom, superintendent of the fidelity and surety department, and presented an idea that was extremely clever as well as interesting and entertaining. Short talks were made by H. C. Gillespie and H. V. D. Johns, assistant managers, Judge E. C. Mills, Harold J. Hunter, J. K. Anderson, D. M. Jackson, S. L. Peebles, M. J. Hogan, J. T. Quail, L. T. Rogers, L. F. Olson, and Oscar Unmack.

Vice-Presidents Manton Maverick and W. H. Betts of the Continental Casualty, Chicago, went to New York to meet the steamer on which Mrs. H. G. B. Alexander, wife of the late chairman of the board of the company, and her party were returning from abroad with the body of Mr. Alexander. Mr. Alexander died suddenly at his hotel in Paris. Provision was made for a private car to take the funeral party to Chicago. Funeral will be held Friday afternoon of this week at the chapel in Oakwoods cemetery in Chicago.

W. Irving Moss, president of Union Indemnity and affiliated companies, has just returned to New Orleans from a trip of almost two months to the Pacific Coast. Mr. Moss was accompanied by his wife and children.

Mr. Moss visited the branch offices of the companies in Chicago, Los Angeles, San Francisco and important general agencies in Denver, Kansas City and St. Louis.

W. R. C. Corson, president of the Hartford Steam Boiler, is in popular demand with his movies and talk in which he recounts his experiences in Italy, Germany, Austria and other countries. He recently talked before the Hartford Board of Realtors.

William Smith, Chicago, safety engineer of the Indemnity of North America, spoke at a recent meeting of industrial medical men on compensation risks.

John T. Harrison, the new vice-president of the National Association of Casualty & Surety Agents, is a member of the firm of Flynn, Harrison & Conroy, agents in New York City for the United States Fidelity & Guaranty. Following



JOHN T. HARRISON

graduation from St. John's College, Annapolis, in 1907, Mr. Harrison entered the service of the Fidelity & Deposit in its New York City branch, so continuing until 1920, when he concluded to embark in the agency field, making the connection which has continued to the present time and which will likely be maintained long into the future. By virtue of his long experience in the surety underwriting field he has a thorough understanding of its problems, and especially as they relate to the men on the "firing line," a condition that makes him sympathetic with the interests of the National association and will prove serviceable in the consideration of matters coming before the body for solution.

### National Surety Splits Shares

Stockholders of the National Surety have approved the reduction of the company's stock from \$100 to \$50 par value. Each stockholder will be given two shares of the new par value stock for each share he now holds. An amendment of the charter was also approved, which increases the number of directors from 51 to 63.

On the recommendation of the management of the National Surety, the stockholders have voted not to increase the capital stock of the company at this time.

## AMONG SURETY MEN

### WARNING IS HELD TIMELY

**E. A. St. John of National Surety Pointed Out Need of Standardization of Completion Bonds**

NEW YORK, Oct. 17.—In the course of his address at the recent annual meeting of the International Association of Casualty & Surety Underwriters, President E. A. St. John complained of the diversity of practice on the part of surety companies in the issuance of completion bonds, holding it important that the basic features of the indemnity "be standardized so that all bonds would be giving the same coverage and subject to the same conditions."

While no standard form of completion bond exists, the confusion that not infrequently obtains in the business, and to which President St. John undoubtedly referred, was the inclusion by some companies of contractors' coverage in addition to that supplied the mortgagee or owner of a structure. The contractor's bond and the completion bond on the same building, it is pointed out, "involve two separate and distinct risks and should be underwritten entirely separately and apart from each other and for two separate and distinct premiums. By no device should one premium be made to cover both hazards." Failure to strictly observe this caution has led to confusion in numerous instances and the warning by Mr. St. John was most timely.

### RAISE RATES ON BONDS FOR EMPLOYEES OF BANKS

NEW YORK, Oct. 17.—Increased rates for fidelity bonds covering employees of financial institutions the country over were issued by the Towner Rating Bureau a short time ago, and are now in full effect, both as to new business and renewals. The new figures, impelled by the large number of losses suffered by the carrying companies in the past year, call for an advance from 30 cents, the former charge, to 40 cents per \$100 of indemnity for Class A banks, and from 60 to 80 cents per hundred of protection to Class B banks. A further proportionate increase is established for statutory forms covering both Class A and B banks in certain states.

### LONDON LLOYDS IS ISSUING "CHAIN" COVER FOR BANKS

Writing two or more banks in a bank chain under one bond form is forbidden by the fidelity and surety manual of the conference companies, unless it happens that two banks occupy adjacent offices in the same building. Lloyds of London, however, has been writing bonds in the Chicago territory covering two or more banks in a chain even though the banks are domiciled miles apart and are of separate corporate identity, Chicago surety men report. Such writing is forbidden by the conference rules because institutions with separate corporate identities are separate risks and may present different hazards from all sources, no matter though the officers of one bank may also be the officers of one or more other banks.

### NEW AMSTERDAM CALLS ATTENTION TO AN ERROR

In a recent story from San Francisco it was stated that the New Amsterdam Casualty had been compelled to pay immediately to the government \$40,000 on account of a writ issued by Federal Judge Kerrigan. This was to pay two bonds issued by the New Amsterdam on Joe Parente, a fugitive liquor runner. Vice-President J. Dougherty

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**A Substantial Conservative  
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**\$200,000.00**

**Agents Solicited**

Mahon of the New Amsterdam states that the article was incorrect. It was said in the story that United States Attorney Hatfield contemplated a motion before the federal court which if granted would bar the company for furnishing bonds for defendants in that district in the future. The New Amsterdam Casualty states that Judge Kerrigan did not issue any writ impounding funds but on the contrary signed a writ of error allowing appeal from the order of forfeiture which will be heard next February. It states that United States Attorney Hatfield never contemplated any motion to bar the company from writing bonds and denies that he ever made such a statement. If the Parente appeal is decided against the New Amsterdam Casualty the company says the forfeiture will be paid and the matter will be closed.

#### Not Liable for Treasurer's Mistake

ST. PAUL, Oct. 17.—The Maryland Casualty can not be held liable under its bond covering a school treasurer for his mistake in depositing school funds in an insolvent bank. This in effect is the ruling of the Minnesota Supreme Court

In a case involving both the Maryland Casualty and the United States Fidelity & Guaranty.

In its decision the court said: "Even though the treasurer knew the bank to be unsafe when deposits were made, it would not constitute his wrong a concurring proximate cause of the loss to plaintiff so as to make the Maryland Casualty liable under the plain terms of its bond."

#### Review of Case Refused

The Southern Surety was refused a review by the Supreme Court of the United States in a case arising out of bond it gave for Benjamin I. Salinger, Jr., which was ordered forfeited when he failed to appear at Sioux Falls, S. D., for trial on a charge of using the mails to defraud.

Salinger was subsequently tried and convicted, his case reaching the Supreme Court after protracted legal controversy. The surety company contended, without success in the lower federal courts, that while its bond called for the appearance of Salinger on a specified date in 1923, the government was not ready to proceed with the trial on that date and that bond should not have been forfeited if Salinger was present when his case was called for trial.

## PLATE GLASS INSURANCE

### FLORIDA GLASS LOSS LIGHT

**Baltimore Companies Report Few Claims  
From That State as Result of  
Recent Hurricane**

BALTIMORE, Oct. 17.—Only three of the Baltimore companies carrying plate glass insurance in Florida, in the section struck by the recent hurricane, suffered losses, and they, it is reported, were very small.

The companies which carry plate glass risks in Florida are the New Amsterdam Casualty, Maryland Casualty and United States Fidelity & Guaranty. According to the 1927 figures the coverage of the latter company in that state was about equal to the combined risks of the other two Baltimore companies.

While no definite figures have been given out regarding the losses of these three companies, it is understood that their losses are exceptionally small, in view of the general destruction that resulted from the hurricane.

#### Much Interest in Form

NEW YORK, Oct. 17.—Thus far the special committee of plate glass under-

writers named at a general conference held in this city some weeks ago to study various problems in the field, and notably the extent of the competition afforded by the offices writing the 50-50 form of cover, has not yet been able to meet because of various other gatherings. Meantime, interest in the 50-50 policy continues unabated. Managers generally admit that more complaints come in from their agents as to this particular form of competition than any other.

#### Florida Glass Losses Light

From reports had thus far the plate glass losses suffered in the recent Florida disaster will not be as serious as those caused by the hurricane of 1926, when the interested companies formed a committee of managers to handle losses. No such action is contemplated at this time, each office proposing to adjust its claims in the customary manner.

#### Hagar Made Assistant Manager

BOSTON, Oct. 17.—The Massachusetts Plate Glass announces the appointment of George Hagar as assistant manager of its New York office. Mr. Hagar is well known in the New England territory from his former connection with the office of Field & Cowles and his more recent connection with the New York Indemnity.

### CANADIANS TO CONSIDER UNEMPLOYMENT INSURANCE

OTTAWA, CAN., Oct. 17.—Unemployment insurance which was the subject of investigation by the industrial relations committee of the house of commons last session of parliament, will again be given further consideration when parliament convenes again. This assurance was given by Peter Heenan, minister of labor, who stated that the majority of the provinces of the Dominion already had declared themselves upon the proposal.

In its report the industrial relations committee accepted and endorsed the principle of unemployment insurance, based on compulsory contributions derived from the state, the employer and the employee. The report further pointed out that the responsibility for such legislation primarily rested with the provincial governments.

On the basis of the committee's findings, the department of labor communicated with the various provinces to ascertain which of them would be prepared to consider adopting the proposal and to what extent they were willing to go at the present time. Mr. Heenan intimated that these replies would be submitted to parliament at the next session.

### EMPLOYERS REINSURANCE ELECTS FOUR DIRECTORS

KANSAS CITY, MO., Oct. 17.—In connection with the recent increase in capital by the Employers Reinsurance, the company has announced the election of four new directors. They are: H. T. Abernathy, president of the First National Bank of Kansas City; Sigmund Stern, president of Stern Bros. & Co., Kansas City; Harold M. Lehman, of Lehman Brothers, New York, and Rodney Hitt of Hitt, Farwell & Co., New York.

A new finance committee has been created, composed of President E. G. Trimble, E. E. Smith, treasurer; C. A. Wheeler, vice-president; Sigmund Stern and Rodney Hitt.

#### Honor Dallas Assistant Manager

H. E. Sanford, new assistant manager of the Dallas office of the Aetna Life, was guest of honor at a dinner given by the agency force to welcome him to the Dallas office. He goes from the Milwaukee branch, but was formerly at the home office in Hartford. A special guest was Bourbon P. Bondurant, former Texan, who has been with the Aetna branches at Indianapolis, Grand Rapids and St. Louis.



## ALVIN J. FOX HEADS WISCONSIN AGENTS

(CONTINUED FROM PAGE 5)

the constructive side. The driver as he uses the wheel may find that some of the spokes need to be taken out and replaced by larger ones of the same kind. In other words, the local agencies of this country, properly to cooperate with the companies, should go out and sell the lines that make up the smaller spokes, like rent, tourist floater and others. There is a demand for them yet they must be built into greater bulk with greater spread to enable the companies to provide such covers at rates that will make them saleable by agents and bring them into general use.

"If the tire is always fighting with the rim, or jarring the spokes and the hub, or is indifferent to the rough spots, that tire wears out faster than if it keeps to a course suited both to itself and the rest of the wheel. Punctures and blow-outs are unpleasant things, and if they occur too often may result in designing a new type of tire. The driver will get the most out of all his wheels if he will remember that his cooperation has much to do with keeping the rim of organizations functioning adequately; the spokes of indemnity from becoming rusty; the hub of resources from cracking, and the grease of profit between hub and axle from drying up."

Following his address Mr. Barbour recounted some of his experiences with unusual coverages, on many of which, he said, money has been made and can be made again. He said that after handling many such covers he made it a rule in his office and has constantly adhered to it that no "freak" offer of business may be rejected merely because no one ever has heard of such a risk being offered before. He said that service means trying at all times to aid those who bring insurance problems for solution. Also he urged that local agents give more attention to the various floater covers that many companies write through their marine departments. To illustrate the public's need for the protection he presented statistics to the effect that 346,000 tons of merchandise were destroyed in transit in the United States in 1927 through the negligence of employees of shippers, and that since the financial status of the employees was in all cases low, the shippers' losses were total excepting as they may have had their goods insured.

### Doscher's Work Praised

J. G. Grundle in his report as secretary-treasurer said that the organization's condition has been improved through the membership work of C. H. Doscher, who represents the National association in membership drives in the various states. Mr. Grundle read the membership committee report for Val Gottschalk, who could not appear. The report stated that a few members had been dropped for non-cooperation but

that membership work is resulting beneficially for the association.

"The local agent is him on whom falls the largest part of the task of instituting proper fire prevention measures in his community," said D. P. Steinberg of Appleton, chairman of the fire prevention committee. He reported that the local agents of Appleton shared the expense of a full page advertisement in a local paper to call attention to fire prevention week. He praised the National association for its fire prevention work and called attention to the Milwaukee association's fire prevention activities through contacts with business and civic bodies. "Engineering, education and enforcement are the needs in fire prevention, and the local agent is the man to make them effective," he said in conclusion.

Alvin J. Fox, the new president, presented the report of the executive committee, of which he was chairman last year. He asked loyalty to and support of the state and National associations, and reported that as the result of the cooperation already given, the Wisconsin association has been successful in its war on bank agencies. The executive committee took action in conformity with the action of the National association on the National Union Fire.

Commissioner Milton A. Freedy of Wisconsin was programmed for an address at the dinner-dance that was held the evening of the first day, but through pressure of affairs was forced to absent himself. Oscar J. Stotzer, president of the Milwaukee association of commerce, spoke on ethics in business at the evening meeting.

### Second Session Held

Executive session work laid over from the first day was taken up and concluded on the morning of the second day. The only set speech at this session was made by Clyde B. Smith of Lansing, Mich., chairman of the executive committee of the National association.

Hitherto the executive committee of the Wisconsin association has done, among other work, the work that a grievance committee usually does. This has taken much of the time of the members that could have been utilized on other matters. Therefore it was planned at this year's meeting that a grievance committee be created.

Company men were not plentiful at this year's meeting, neither managers nor field men. Frank M. Chandler, assistant manager of the Employers group in Chicago and the father of the Insurance Day idea, was present but not on the program. So also were E. A. Henne of Chicago, secretary of the America Fore companies; B. J. Nietschmann of Milwaukee, head of the William B. Joyce Wisconsin agency, and L. V. Bogert, special agent of the National Surety, now working in the Wisconsin territory.

The convention adopted seven resolutions. The first commends the efficiency of the National association and ap-

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INSURANCE EXCHANGE  
CHICAGO**



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*Write for Attractive Sole Agency Contract in Your Territory*

proves the resolutions of that body adopted at the recent West Baden convention. The second is to the effect that the new administration of the Wisconsin body aid local boards in their work and the third that conservation of life and property by fire prevention work be diligently prosecuted.

Milton A. Freedy, Wisconsin commissioner, is commended for his efficiency in administering the insurance law. The Oshkosh association is thanked and applauded for its efforts contributing to the success of the convention. Clyde Smith of the National association is commended for his helpful address on the work of the National body, and the press, local and insurance, for its cooperation. In the final resolution, thanks are extended to all cooperating insurance companies operating in Wisconsin. It urges "that our members give evidence of such appreciation by particular attention to their agency obligations."

#### CONVENTION NOTES

Alvin J. Fox, the new president of the Wisconsin association, well merits his promotion from the chairmanship of the executive committee, on which he has done splendid work. He is an earnest, conscientious and competent local agent of Oshkosh, and gives to association work also the results of these qualities.

Fred J. Lewis, who is president of the Milwaukee Board, is another new officer who deserves the recognition given him

by the association. He steps into the post vacated by Mr. Fox. He is known to his associates as a logical thinker and as a capable and fearless proponent of all the association stands for.

Yet another officer who gives of his best to the association is Joseph G. Grundie of Milwaukee, who was re-elected secretary-treasurer. His reelection means the more when it is realized that this year he was chosen to succeed himself for the ninth consecutive time.

William B. Calhoun, whom his associates address as "Big Bill," was largely and melodiously present, leading the singing as usual.

Edward D. Lawson, the marine man from the lower bend of Lake Michigan, gives it as his belief that if he attends but two more conventions this season he shall have learned to smoke cigars as cigars should be smoked. Mr. Lawson's personality always puts him over as a speaker, but it is not known to all who hear him at the various meetings he attends that he has been since boyhood and still is an athlete of note.

The new Raulf hotel, the Oshkosh caravansary in which the day sessions were held, cared for the conventioners as well as could be wished. The dinner-dance was held in the Hotel Athearn.

Messrs. Nietschmann and Bogert of Milwaukee drove out of Oshkosh sufficiently early on Thursday to escape a part of the downpour through which others drove later in the day. Therefore they arrived home dry. But they did not escape a considerable shower that fell on the preceding evening.

One of the interesting characters among the Oshkosh agents is J. C. Walter, the magician, a friend for many years of the late Harry Houdini. Mr. Walter is much in demand at many kinds of functions, at which he presents his interpretations of black art. For a number of his friends he performed a difficult and original vanish at the Eagle's club. Mr. Walter is ambitious to do one day something as big in the magic field as Houdini's famous elephant vanish.

Before and after each of the sessions the delegates foregathered in the hotel lobby to discuss their business and the work of the association. In these discussions were generated many of the sound ideas for agency, local board and association progress.

Believe it or not, two of the association's new officers are so modest about their good work that they never seek pictorial publicity and had not had photographs taken of themselves for 10 years. It was only after considerable urging that they consented to sit for a photographer at this year's meeting.

The local board from Earl Fiske's home town, Green Bay, attended the convention in a body. It is the cooperation indicated by this kind of attendance that makes pleasant the work of those who are active in association affairs.

## E. D. LAWSON SPEAKS ON AVIATION INSURANCE

(CONTINUED FROM PAGE 5)

different and varying sorts of risks. "Most of this insurance is written for a period of one year. For less time the premium is at short rate, a certain predetermined percentage of the whole premium.

#### Lower Rates Striven For

"Insurance companies in granting insurance and setting rates invariably consider the human element the most important factor in deciding risks. In the case of an airline the person seeking insurance is asked who the man in charge of operations is and what experience he has had. Second in consideration comes the individual pilot, and farther down the list come questions about type of airplanes to be used, country to be flown over and other details of the airline. Contrary to prevailing opinion, the insurance companies constantly are attempting to reduce rates instead of getting the highest premium rate possible. As a matter of fact they are anxious to

reduce rates and strive to educate aircraft men to the many ways that risks may be lessened, not only in the air but also on the ground.

"Each risk is rated on its merits and a proposal or application is furnished the assured in language that he can readily understand. This, when completed, gives the underwriters full information relative to planes, personnel, etc., and becomes a part of the policy."

## BURRAS HOPES FOR NATIONAL NETWORK

(CONTINUED FROM PAGE 43)

they will agree to back it and give it their support. If it appeals to them he then states that it should be presented to the National Board of Fire Underwriters, the Association of Life Insurance Presidents and the American Life Convention so that all hands can be united in one great political structure.

Mr. Burras himself has been identified with the Republican organization in Chicago and wields considerable influence. He has had an insight into the potentialities and feels that if there can be brought into being an organization of the type he mentions for the key man in every voting precinct, insurance can defend itself effectually.

## AGENTS KNOW LITTLE ABOUT RECIPROCALISM

(CONTINUED FROM PAGE 45)

the people abandon in favor of the substitute scheme which they represent.

#### Most Complex Task

"This brings us to the matter of legislation and supervision of reciprocals. Effective supervision of inter-insurance contemplates the most complex and trying task imposed upon insurance departments and supervising officials. We will never have effective legislation or supervision of inter-insurance so long as an exchange is looked upon and dealt with as an insurance institution rather than a place where individuals exchange private contracts with each other.

"There is no such thing as a 'reciprocal insurance company.' A reciprocal has no similarity to and nothing in common with an insurance company. The word 'reciprocal' has become a noun in insurance parlance only as a convenient means of designating an otherwise indefinite number of persons who reciprocate in the practice of insuring each other on a pro-rata basis. In reciprocal insurance there is but one thing to supervise and that is the individual policyholder or trader.

#### Highly Profitable Business

"Representing these persons as attorney-in-fact on a common basis, has become a commercialized and highly profitable business. It is the only place in our economic affairs where the procuring of powers of attorney has been made a business in itself. The commission paid attorney-in-fact, owning the physical equipment, books and records used by the participants in these trading pools in their relations with each other, is a handicap under which it would be too much to expect any process or operation fairly to demonstrate its economic worth or value. Entirely aside from other considerations, he is responsible for the unfortunate and confusing legislative and supervising status which prevails with respect to inter-insurance. This attorney-in-fact finds it to his personal advantage to make it appear that he, as an official, operates an insurance organization or institution.

#### Adjust Legislation to Facts

"Whatever difficulties either of law or practical fact may confront us in effectively supervising the trading of insurance contracts on the reciprocal plan, it remains true that no ultimate good can come from dealing with these trading pools as though they were some-

thing which they distinctly are not. To call a sword a gun certainly does not bring it within the practical usages of regulations concerning firearms. It may be possible effectively to supervise inter-insurance by and through state authority, but it never can be done upon the present theory of supervising the sale of insurance by insurance companies. If it can not be done, then the plan should be given a fair chance to demonstrate its economic value without being hampered by attempted state regulation which does not so much as recognize its essential character or fundamental processes. In any event it is high time that we recognize the system for what it is and adjust our legislative and supervising attitude to conform with the facts."

## COMMITTEE OF NINE NOW HAS NEW FUNCTION

President A. Duncan Reid of the Globe Indemnity, having appointed the so-called committee of nine that has been handling the compulsory automobile liability subject to deal with the American Automobile Association in matters of common interest, it is expected that the committee will get in touch with the association as soon as possible and find out whether there are any issues in dispute. The members of the committee are: Edson S. Lott, president United States Casualty, chairman; James W. Henry, Pittsburgh, chairman executive committee National Association of Casualty & Surety Agents; Austin J. Lilly, general counsel Maryland Casualty; Manton Maverick, vice-president Continental Casualty; Thomas C. Moffatt, Newark, N. J.; Frank J. O'Neill, president Royal Indemnity; C. B. Morcom, vice-president Aetna Casualty; Edward C. Stone, United States manager Employers Liability; William Brosmith, vice-president Travelers; Jesse S. Phillips, president Great American Indemnity, and A. Duncan Reid, president Globe Indemnity.

## Sues for Injuries by Racing Car

Suit for \$5,000 against the United States Fidelity & Guaranty, which is alleged to have carried liability insurance for the World Amusement Service Association of South Dakota, has been filed in district court at Spencer, Ia., by E. W. Zleman.

Mr. Zleman was among those seriously injured at the 1927 Clay County Fair at Spencer when a racing car plunged the fence into the spectators, and at the May term of court he was awarded judgment for \$8,500 against the amusement association, which company staged the races at the fair.

He alleges he was unable to find any property of the World Amusement Service Association upon which to levy, and he now asks that the insurance company be ordered to pay under its policy issued to the racing car company.

## Casualty Notes

Houghton & Thorson, Boone, Ia., have been appointed general agents of the Metropolitan Casualty.

A. B. Satterwhite has joined the Seattle office of the Ocean Accident as a staff adjuster. Mr. Satterwhite formerly was with the Pacific Coast Automobile Conference as a staff adjuster.

J. F. Matthal of Baltimore, vice-president of the United States Fidelity & Guaranty in charge of the automobile department, and Fred R. Riehl, superintendent of the salvage department, are visiting the Chicago office this week.

The new list of officers and committee chairmen of the Salesmanship Club of Dallas gives signal honors to insurance men of the city. Morton Bigger of the American Life is chairman of the program committee and Ben Harrison of the Southern Surety heads the attendance committee.

James E. Smith, special agent for the Richmond branch office of the Commercial Casualty, who has been traveling out of Richmond, has established headquarters at Charlotte, N. C., so as to be in better position to service North Carolina, to which he has been giving special attention for some time.

## OPPORTUNITIES

Young married man, twenty-eight. A competent automobile and casualty underwriter with three years' extensive claim experience before entering underwriting end of business—A producer with executive ability—desires direct connection with young growing company in Southwest territory. Now employed. Address G-80, care The National Underwriter.

## SPECIAL AGENT

Good strong casualty company wants experienced special agent thoroughly familiar with both Casualty and Surety lines for Wisconsin and Minnesota. Prefer man who is acquainted with agents in these states. In reply state age, experience, and salary expected. Answers will be treated confidential. Address G-91, care The National Underwriter.

We have open territory in Illinois, Iowa, and Wisconsin for traveling representatives to call on Surgeons and Attorneys in connection with Workmens Compensation. Excellent opportunity for right man. Salary and commission. Give your affiliations and references in first letter. Address G-86, care The National Underwriter.

## WANTED

Young man equipped with necessary experience, training and personality to handle Surety and Casualty underwriting in Chicago Agency, and also solicit same lines. State age, experience and salary. Address G-74, care The National Underwriter.

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You, as an Underwriter, have looked forward to the day when you could sell a strictly Non Cancellable Health and Accident policy, positive, clean cut and Businesslike in every detail.

We now offer you the Opportunity with the advent of our new "Gold Seal" Non Cancellable contracts. And here are a few reasons why you can underwrite this class of contract to the best possible advantage.

1. It is Non Cancellable, the payment of premiums being the only requisite to keep the policy in force.
2. Written on both male and female risks, unusual as to permitting women to be written on a Non Cancellable contract but true nevertheless.
3. We give male clients the option of continuing their policies up to age 70—female clients up to age 60.
4. Good first commissions and attractive renewals.

Openings for representatives available in sections of Michigan, Pennsylvania, Indiana, Illinois and Missouri.

For full details of our direct agency proposition write—Manager of Agencies

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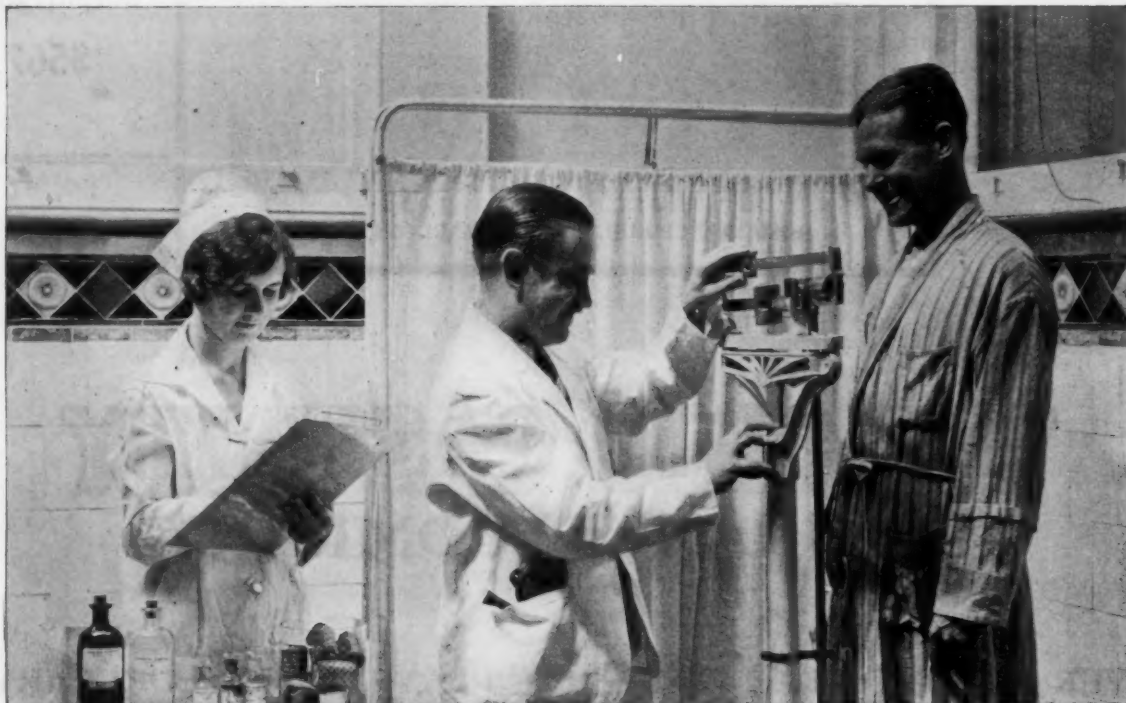
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always  
get more  
than an  
even break**

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## Gained Seven Pounds In The First Two Weeks!

"I wish to take this opportunity to thank you the best I can for placing in my hands the benefit of so good an insurance as the Apex Hosiery Company has," writes an employee of that company, who had contracted tuberculosis, and who, thanks to the benefits he was receiving under the disability clause of his Group certificate, was able to go to a sanitarium for treatment. "I am glad to be here and my health improves every day. The first two weeks here I gained seven pounds."

"Insurance was granted this young fellow under our disability clause, and through the insurance, I honestly believe that this may result in the young man's regaining his health," writes F. E. Struve, Manager, of the Apex Company. "We all know that sickness and financial difficulty do not agree with mankind, and in this case in particular, as this young man hasn't anybody but a widowed mother, and nobody to give him financial assistance."

"At this time, we would like to thank you for your business-like co-operation and for the punctual responses in several of our claims. May we also state that our employees realize the value of group insurance, and it has created contentment, and we hear nothing but praise for our splendid group insurance."

There are many good reasons for writing Travelers Group insurance. It pays you well for the time expended. It advertises you to a large number of prospective insurance buyers. It leads directly to many other lines. And—letters of the kind we have reproduced above.

Imagine the satisfaction you would feel if you learned that you had made it possible for some young man to fight his way back to health. Why you'd get more kick out of it than a millionaire would out of endowing a hospital. There are group prospects in your territory. Why not give them a try?

# THE TRAVELERS

THE TRAVELERS INSURANCE COMPANY

LIFE

ACCIDENT

LIABILITY, HEALTH, AUTOMOBILE, STEAM BOILER, COMPENSATION, GROUP, BURGLARY, PLATE GLASS, AIRCRAFT, MACHINERY, INLAND MARINE

THE TRAVELERS INDEMNITY COMPANY

L. F. BUTLER, PRESIDENT

Hartford,

Connecticut

THE TRAVELERS FIRE INSURANCE COMPANY

FIRE

WINDSTORM



# The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

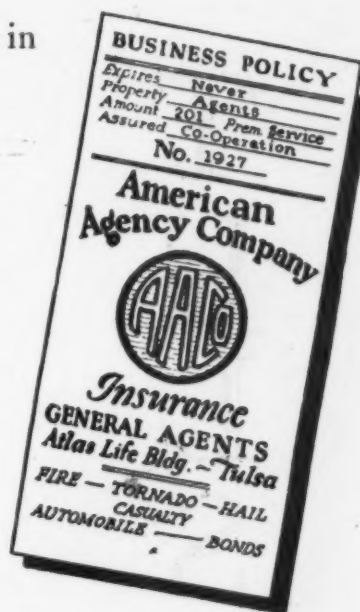
FRIDAY, OCTOBER 19, 1928

"Keep a Larger Portion of Every Premium Dollar in  
the Territory in which it Originates."

## *A Message of Interest*

To:

## Oklahoma Agents



Located in your midst is a General  
Agency providing facilities for a Com-  
plete Insurance Service.

The marvelous growth of our business  
best evidences our ability to serve—  
Human Understanding and an efficient  
Organization plus facilities tells the story.

*Strong Companies*

*Prompt Service*

We Solicit Reliable Agency Connections

## *American Agency Company*

Atlas Life Building

TULSA

W. LYLE DICKEY, President

Let Us Explain the Distinct Advantages in a General Agency Connection



# HEADQUARTERS

*for*

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# INFORMATION

WE want insurance men to feel that this organization is headquarters for information regarding Tulsa, whether insurance or otherwise. "It is cooperation that counts"—and you may count upon our cooperation.

TULSA

FIRE & CASUALTY INSURANCE ASSOCIATION



## IF YOU CAN Write Life Insurance

—and not now tied in with some good company; or IF YOU have never written life insurance—(we teach beginners with this company)—but considering taking it

up as a business or profession—

—IT MIGHT PAY YOU TO INVESTIGATE what ANCHOR LIFE has to offer you. \* \* \* ANCHOR LIFE IS AN OLD LINE LEGAL RESERVE COMPANY—writing practically all of the approved forms of Modern contracts—as Good as the Best, as Safe as the Safest, and as Economical as Any.

LIBERAL FIRST YEAR'S COMMISSIONS : NON-FORFEITABLE LONG TERM RENEWALS : A HOME OFFICE CO-OPERATION by men of experience who earned their spurs out in the field writing applications—know what the man on the firing line has to encounter, and take a sympathetic interest in helping the man behind the Rate Book. \* \* \* Lots of other good things which we will be pleased to tell you—if interested.

*Address the Home Office:*

**ANCHOR LIFE INSURANCE COMPANY**

WM. HARGIS WALKER, *President*

SIXTH AND DENVER

TULSA, OKLAHOMA

## INCREASED FACILITIES—

Our agents already know of our extensive facilities. Others might profit immensely should they inquire.

Long in advance of its approach we foresaw the swing back to the small line basis on the part of many prominent underwriters.

We prepared for the urgent need that we knew would soon be felt by the agents.

Our facilities have actually materially increased over those of a year ago. This is logical and easily understood. It is the multiple interests in our General Agency which is the secret of our capacity. Better make **your** connection now.

## E. J. Heavner & Co.

*General Agents*

Chicago Fire & Marine Insurance Co.

Minneapolis Fire & Marine Insurance Co.

Michigan Fire & Marine Insurance Co.

Franklin National Insurance Co.

Detroit Fire & Marine Insurance Co.

Globe Fire Underwriters Agency

P. O. Box 1549

TULSA, OKLAHOMA

211-213 Wright Bldg.



# The National Underwriter

THIRTY-SECOND YEAR, No. 42-A  
EXTRA EDITION 25 Cents a Copy

CHICAGO, CINCINNATI, SAN FRANCISCO AND NEW YORK, FRIDAY, OCTOBER 19, 1928  
Office of Publication, 175 West Jackson Boulevard, Chicago, Illinois

OKLAHOMA AGENTS'  
NUMBER

## Ledbetter Oklahoma Agents' President

Convention Held at Oklahoma City Sets New Record for Attendance—Take Action on Non-Conforming Companies

### New Officers Elected

Convention Headquarters  
Oklahoma City, Oct. 18

AT THE closing session of this year's meeting of the Oklahoma Association of Insurers, which was held at Oklahoma City Wednesday and Thursday of this week, E. R. Ledbetter of Oklahoma City was elected president to succeed M. E. Williams of McAlester.

R. C. Tate of Ardmore was elevated to the position of vice-president. A secretary to succeed M. B. Breeding of Oklahoma City is to be appointed later by the executive committee.

John Murray of Altus is retained as chairman of the executive committee. The other members of this committee are R. H. Siegfried, Tulsa; V. V. Sills, Ponca City; M. E. Williams, McAlester, and M. B. Breeding, Oklahoma City.

The executive committee will decide the time and place of the next annual meeting.

### Approve Committee's Action on National Union Fire

All of Thursday afternoon was given to an executive session, at which the insurance newspaper men were excluded.

It was learned after the meeting that much of the time was given to a discussion of the practices of the National Union Fire. It will be recalled that at the last annual meeting of the National association at West Baden, this particular company was named as a company

By WILLIAM A. SCANLON

### NEW OFFICERS ELECTED

#### PRESIDENT

E. R. Ledbetter, Oklahoma City

#### VICE-PRESIDENT

R. C. Tate, Ardmore

#### CHAIRMAN EXECUTIVE COMMITTEE

John Murray, Altus

#### MEMBERS EXECUTIVE COMMITTEE

R. H. Siegfried, Tulsa; V. V. Sills, Ponca City; M. E. Williams, McAlester; M. B. Breeding, Oklahoma City.

in violation of some of the principles of the National association. In a resolution adopted by the Oklahoma association, the agents go on record as approving the action taken by the national executive committee in placing this company on the list of companies falling within the scope of the Milwaukee resolution.

### Members Must Recognize Agency System Principles

The Oklahoma agents say that any agent has the privilege of representing any company legally admitted to do

business in the state and also has the free right to elect membership in non-membership in any voluntary association, but insist that all who seek membership in the Oklahoma association shall recognize the principles declared to be necessary for the preservation of the American agency system and complying with the constitutional requirements of the Oklahoma Association of Insurers.

The Tulsa Fire & Casualty Association is extending an invitation to the National association to hold its next

(CONTINUED ON PAGE 12)

### Meeting "Best Ever"

Convention Headquarters  
Oklahoma City, Oct. 18

THIS year's meeting was probably one of the best ever held by the Oklahoma agents. The registration showed that more than 150 local agents were in attendance. It is believed this is the largest number of agents that ever attended an annual gathering of the Oklahoma association.

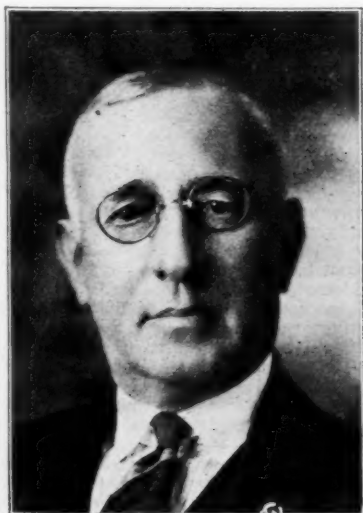
There was a fine array of speakers. The subject handled by each speaker was one with which he was thoroughly familiar. The sessions were all well attended and the speakers at all times had the attention of their hearers.

The entertainment features were of the highest order. All in all it was a successful meeting and those in charge of arrangements are to be complimented. It was evident that much intelligent thought had been given by those on the program committee before the meeting was held.

### Williams Reports on Work of Past Year

The agents were a little slow in gathering for the opening session of the meeting when President Williams rapped the gavel announcing the opening. However, it was not long until the room was comfortably filled.

Following the invocation by E. C. Mobley, pastor of the First Christian Church Oklahoma City, Ed Overholser, president Oklahoma City Chamber of



M. E. WILLIAMS, McAlester  
Retiring President Oklahoma Association



JOHN MURRAY, Altus  
Chairman Executive Committee



M. B. BREEDING, Oklahoma City  
Secretary of Association



J. F. McCULLOUGH, Oklahoma City  
Chairman Program Committee

Commerce, gave the address of welcome, after which President Williams read his annual report. Mr. Williams gave an account of his stewardship as president during the past year and made some worth while recommendations.

J. G. Read, insurance commissioner of Oklahoma, told of some of the activities of the Insurance Board. Following Commissioner Read, Charles L. Gandy of Birmingham, Ala., president of the Alabama Association of Insurance Agents and member of the executive committee of the National association, spoke on "The National Association."

#### Discuss Agents' Problems at Afternoon Session

At the opening of the afternoon session, President Williams appointed the members of the nominating committee, resolutions committee and the committee on constitution and by-laws.

Most of the Wednesday afternoon session was given over to discussions on solving the agents' problems. The subjects discussed proved most interesting. In addition to these discussions there was a very able address given by Charles



L. N. EWING  
Tulsa, Okla.

T. Evans of Little Rock, vice-president of the Home Fire of Arkansas, and another by R. H. Siegfried of Tulsa, who made a report on the Oil Association conference. Mr. Evans spoke briefly of the value of association.

#### J. S. Pearce Speaks on Better Business Methods

J. S. Pearce, of Pearce, Porter & Martin, Tulsa, who has been a member of the better business methods committee of the National Association of Insurance Agents, spoke on "Better Business Methods."

The subject of "Advertising" was handled by Lyle A. Stephenson of Kansas City, Mo. Mr. Stephenson is a great believer in advertising.

C. T. Ingalls, manager of the Oklahoma Inspection Bureau, told those present about the operation of his bureau.

Some matters of interest to the Audit Bureau and the local agents were talked of by W. B. Clinite, manager of the Oklahoma Audit Bureau.

#### Interesting and Instructive Session on Thursday

The Thursday morning session proved to be a most interesting and instructive one. Many important matters were discussed and the speakers presented their material in a most able manner.

Ned Looney, attorney at law, Oklahoma City, member of the firm of Owen & Looney, general attorneys for Oklahoma of the United States Fidelity & Guaranty, spoke on "Present Day Legislative Tendencies." "Our Present Day Casualty Problems," was the subject of an address by J. S. Adams, manager of the Travelers, Oklahoma City.

A very important discussion of marine and floater insurance was led by Frank

## RESOLUTIONS ADOPTED

It is the sense of this convention that a better feeling between companies and agents, and a return to the old time loyalty can best be brought about by sole agency representation in any community, and we recommend to the executive committee of the National association that they continue their efforts to bring about this reform in all parts of the country.

The members of this association owe their allegiance to those companies who have subscribed to the principles of the National association, and we urge our members to favor those companies who have gone on record with the National association as being friends of the American agency system.

We condemn the continued growth of branch offices and we are convinced that the companies establishing them may claim to be the friend of the local agent, but to this we cannot agree. We call upon all agents to place their business with those companies not maintaining such branch offices in this state as it is not possible for a local agent to compete fairly with non-policy-writing agents and brokers reporting through branch offices as is being operated by certain companies in this state.

We view with alarm the continued high mounting loss ratio on compensation insurance. We appreciate the attitude of those companies who continued to extend to us their facilities for writing this class of business during the time that the loss ratio is unfavorable, and we call upon all agents to favor those companies with their preferred classes of business who are accepting more or less freely the compensation insurance which is somewhat difficult to place. We call upon the companies themselves to cooperate with their general agents and with the Workmen's Compensation Rating Bureau to the end that an adequate rate can be secured so as to put the compensation insurance on a proper basis, for a branch of the business in which such a large volume of premium is involved should certainly be able to secure a rate by which it may be written without a loss to the companies handling this class without depriving the local agent of commission for securing and rendering service on this branch of the business. We pledge ourselves to cooperate in any manner possible to the extent of bringing about proper revision of rates.

We cannot agree with the plan proposed by the New York Indemnity of accepting compensation insurance from their local agent and pay no commission whatever and any profit which may be derived from this business will be divided equally as between the company and the agent producing the same, for the reason that we do not believe that this plan is feasible or can it be properly worked out, and we feel that if a plan is to be attempted it should not be offered on only those lines upon which the company claims there is no profit, as we do not feel that this is a proper solution of this difficult problem.

It is the sense of this convention to endorse the action and this association heartily agrees and concurs with the efforts of the Tulsa Fire & Casualty Association in their efforts to adjust the commission controversy now before the national executive committee with the Oil Insurance Association, and until such time that every effort of arbitration has been exhausted, and we recommend that nothing be done to disturb our present pleasant company relations and that a committee be appointed consisting of the retiring and incoming presidents of this association and the president of the Tulsa Fire & Casualty Association to assist the national executive committee.

The executive committee of the Oklahoma Association of Insurers in session on Oct. 16, 1928, had before it a statement by the national executive committee dated August 3, 1928, and presented to the annual convention at West Baden. It had to do with the practices of the National Union Fire Insurance Company of Pittsburgh, Pennsylvania, in relation to the principles of the National Association of Insurance Agents.

After a complete review of the facts and a thorough discussion of the merits of the controversy under consideration, it is hereby resolved that the executive committee of the Oklahoma association concur in the findings of the national executive committee and that we do now adjudge the National Union Fire to be intentionally and continuously in violation of two of the principles of this association, namely, "limited agency representation of the same company in the same territory," and "appointing financial institutions, their officers or employees as company representatives in competition with established agencies," and that this company falls within the scope of the Milwaukee resolution.

It is provided, among other things, by the constitution of the Oklahoma Association of Insurers, that no member of this association shall represent any insurance company as agent, when in the judgment of our executive committee and the executive committee of the National Association of Insurance Agents the practice of such company is intentionally and continuously in violation of our principles.

The executive committee of the Oklahoma Association of Insurers recognizes the free right of all agents to represent any insurance company legally admitted to do business in this state, and the free right to elect between membership and non-membership in any voluntary association; but insists that all who seek membership in this association shall recognize the principles declared to be necessary for the preservation of the American agency system, and comply with our constitutional requirements.

It is with hearty accord that we join with the Tulsa Fire & Casualty Association in extending the National association an invitation to hold the next National convention in 1929 in Tulsa, Okla.

Rimmer of Dallas, Tex. Mr. Rimmer is a specialist in this line. It was evident that the subject is an interesting one to the Oklahoma agents, judging from the interest shown by those in attendance. Immediately following Mr. Rimmer's address on this subject many agents pre-

sented questions to Mr. Rimmer, who answered them in a very satisfactory manner.

J. G. Leigh of Little Rock, president of the Association of Fire Insurance General Agents, brought a message from his organization and spoke briefly on

"The General Agency Plan of Operation."

An address of much interest to the agents and company men present was that of W. S. Eberle of Oklahoma City, state manager of the North America, on "The Relations of Agents and Field Men."

Secretary M. B. Breeding made his report Thursday morning. The association has shown a good gain in membership and the finances are satisfactory.

J. A. Atkinson, Oklahoma City, head of the Oklahoma Fire Prevention Association, spoke briefly on the activities of the fire prevention organization. The Oklahoma Fire Prevention Association has accomplished much during the past year and the prospects for a greater year ahead seem very bright.

## Blue Goose Minstrels Entertain at Banquet

The banquet which was held Wednesday evening was a delightful affair. J. F. McCullough was master of ceremonies. The Blue Goose minstrel troupe performed in excellent manner. This troupe is composed of members of the Oklahoma Blue Goose, and is directed by Hal Watson, of the Great American. The members are: Bill Newcomer, Cotton Insurance Association; Ned Rankin and Charles H. Cowan, National of Hartford; Ed Pearson, Aetna; Ralph Searle, Queen; L. P. Gray, Trinity Fire of Dallas; Ray L. Maxwell, Norwich Union; Hatler Smith, Tom Douglas Co., and Peyton M. Harrison, Cotton Insurance Association. Gill Haydon, Fuller Adjustment Co., and Ebert Crismore, an attorney, were the pianists.

Following the minstrel there was community singing. The officers of the association and some of the guests were introduced. A local quartet composed of young ladies resident of Oklahoma City gave several selections. After the entertainment there was dancing.

## Convention Committees

President Williams appointed the members of the following committees Wednesday morning:

Constitution and Bylaws, E. R. Ledbetter, Oklahoma City, chairman; H. E. Bethel, Tulsa; F. E. Sullivan, Oklahoma City; George Harrison, Tulsa; H. F. Carmichael, Sayre, and Charles E. Wilson, Ardmore.

Resolutions, John Murray, Altus, chairman; J. S. Berkshire, Ardmore; O. A. Garner, Okmulgee; F. S. Sneed, Lawton; Margaret Colby, Chickasha; G. W. Sapp, Miami; R. H. Siegfried, Tulsa; J. B. Fink, Muskogee; J. S. Wells, Oklahoma City; R. F. Miller, Idabel; F. T. Treadwell, Holdenville, and T. V. Dollins, Henryetta.

Nominating Committee, J. F. McCullough, Oklahoma City, chairman; R. C. Tate, Ardmore; Thomas J. Harrison, Pryor; C. A. Hash, Cherokee; Gardland Jackson, Muskogee; A. T. Fountain, Tulsa; G. B. Hart, Shawnee, and Guy Wedman, Elk City.

#### Williams Boosts Trade Journals

President M. E. Williams stated that he can not understand how a man who professes to be an insurance man can get along without reading his trade paper. He urged the agents to become subscribers to the trade journals. He said that in many offices he has visited he has found the insurance journal reposing peacefully on top of a man's desk with the wrapper still on it. He stressed the importance of keeping up with one's business and said that in his opinion there is no better way to do this than by reading a trade journal regularly.

It was the intention to hold this year's meeting at the new Chamber of Commerce building. However, the building is not ready for occupancy and the meeting was conducted in the ball room of the Oklahoma Club.



# Oil Association Controversy Reviewed

By R. H. SIEGFRIED  
President Tulsa Fire & Casualty Insurance Association

IN THE minds of most agents the matter of the controversy over commissions with the Oil Insurance Association is of no concern, for we seldom concern ourselves with something that is of no interest, but the best way of attracting interest is through affecting our income. If there was no more involved in this controversy than merely a reduction of 5 percent commission on certain classes of oil business, this matter would not have received the attention and time that it has, and if it had not received the attention of those who were affected at this time, you agents who may not be interested in this matter might be affected to similar reductions in commissions on certain other classes of business which you write.

## Considered as Purely Service Organization

All agents writing oil business are forced to write certain classes of business through a pool of companies known as the Oil Insurance Association, and heretofore this association has always been considered as purely a service organization and all agents were of the opinion that they were operating under their contracts with their respective companies which provide for a minimum rate of 15 percent commission on all special hazards.

When the Oil Insurance Association notified us by merely placing a rubber stamp on our notice of expiration, of a reduction of one-third of our commission on certain classes of business, those agents who were affected naturally felt that a service organization was not within its rights in doing so, and when the companies themselves were notified of our protest of the abrogation of our commission contract, they all referred us to the Oil Insurance Association to have the matter adjusted. Some of them even went so far as to say that the Oil Insurance Association was acting as their general agent and we were nothing more or less than brokers and that the Oil Insurance Association had the right to fix our compensation at any figure which it desired.

## Association Claims Loss Ratio Is High

The position of the Oil Insurance Association in this matter is that owing to an excessive loss ratio on certain classes of business and for the further reason that certain companies were quoting lower rates on certain classes of the oil business and were successful in securing part of it, and that inasmuch as these outside and unaffiliated companies were paying a maximum of 10 percent commission on the business which they accepted, that in order to compete with them it was necessary that a reduction in commission to the local agent be made.

They further claim that their loss ratio on these particular classes was approximately 89 percent and that something had to be done in order to bring about a more favorable loss ratio on the classes affected, and the first move toward bringing this reduction about was to reduce the agent's compensation by 5 percent. They further state that in order to meet the competition which was being given them by certain outside companies, it was necessary that a reduction in rates be made in order that they may secure the business.

Their statement in this regard is so inconsistent that I question if they themselves expect us to believe it, when they tell us that owing to a high loss ratio your commission must be reduced and at the same time they reduce the commission the rates too are reduced, and how they ever expect to put the business on a favorable basis following such a procedure as this, is something

that the local agent has been unable to figure out.

## Equalize Commissions to Agent, Non-Resident Broker

It has further been suggested that another reason for this reduction in commission was in order to equalize the commission paid the local agent and the non-resident broker. The non-resident brokers have always been paid only 10 percent commission where no office or countersigning agent was maintained in Oklahoma, and for a number of years it was the custom to divide a residue commission of 5 percent among certain agents of companies that issued the policies, who were adjacent to the property which was insured by these brokers, and for a number of years certain residue commissions were paid certain local agents, but for several years it has not been possible to locate any local agent who has received any of this residue commission. This may be answered to some extent by the fact that some of the large eastern brokers who control certain lines opened up offices in this state and their salaried representatives signed their own policies, making the residue commission no longer available.

## Contend Charge Must Be Made Through Companies

But the whole matter in question is that it is our contention that the Oil Insurance Association have no right to affect our commission in the least, as we have no contract with it whatever, and any change in our commission must be made through the companies themselves, and if the reasons they state is true, that the reduction is necessary on account of the high loss ratio, how can they justify themselves in making a reduction in rates at the same time? This, to say the least, is inconsistent.

It is estimated that approximately \$1,000,000 in premiums is affected in this reduction, all of which business is handled through a service office in Tulsa which does not have to exceed five employees to supervise and give engineering and inspection service on all business placed through them, and they are taking away from the local agents and brokers several times more than the cost of giving service on the business affected and I dare say that the companies which write our direct business will be more than pleased if they could handle their direct written business for as low a cost

as the Oil Insurance Association are handling theirs.

The National association in a spirit of cooperation brought about a conference of the representatives of these states which were interested in the Oil Insurance Association matter at the national convention at West Baden, of which committee it was the privilege of the speaker to be chosen chairman. H. M. Carmichael, general manager of the Oil Insurance Association, was present and the first statement that he made was that he was there for the purpose of explaining the position of the Oil Insurance Association commission controversy and not for the purpose of arbitration.

## Started Originally on 10 Percent Basis

In the statement which he made to the agents setting forth his position, he brought out the fact that when the Oil Insurance Association was formed some ten years ago they started on a basis of allowing agents 10 percent commission, and this commission later was increased to 15 percent. Mr. Carmichael brought out the fact that he had always been the friend of the local agent and was particularly anxious to see if it was not possible for their association to operate and continue to allow the local agent a minimum commission of 15 percent, and that after a number of years it was not found possible to do so.

## Referred to National Executive Committee

Mr. Carmichael explained the reasons which I have previously stated for the necessity of the reduction in commissions. He stated that he was perfectly willing to answer any questions in regard to the position of the organization of which he represented.

The statements which he made as to the reasons for the action that they had taken were not accepted as sound by those agents present, and an endeavor was made at that time to bring out the real facts, but Mr. Carmichael was very evasive and only answered such questions as suited his fancy, so that the committee which heard the conference referred the entire controversy to the executive board of the National association and an effort is to be made to have a committee from that organization meet with the executive committee of the Oil Insurance Association in a final en-

deavor to have them respect the agent's rights and live up to their end of the contract.

## Precedent Established Important to Agents

Whether we are successful in having this controversy settled favorably is not near as important to the local agents as the precedent which is being established. If companies through various boards, service organizations or what-not can at will, without taking the agents themselves into consultation and without warning, reduce commissions at will or at the whim of some particular group or executive who is anxious to make a good showing for the branch of which he is in charge, it is high time for the agents to wake up and stand on their rights.

It has been suggested that if agents would divert their direct business from the companies who are members of the Oil Insurance Association to companies not members of that pool, the executives of those companies would at least investigate and just see what the officials of the Oil Insurance Association are endeavoring to do, for there is no more reason for a reduction in commission on these classes than on any other class of business we write.

## Would Exhaust Every Course of Arbitration

We should do nothing to disturb the regular course of our business until every course for arbitration has been exhausted and if the companies then feel that they can regard our contracts as a mere scrap of paper, we can then proceed to protect our interests under the wisest counsel available.

It has been said by the Oil Insurance Association that the agents who are producing the business are satisfied with the reduction which has been made and that one or two who have been carrying on the fight are doing it from some ulterior or selfish motive. To that I want to say: can you imagine yourself being satisfied with taking a reduction of one-third of your commission on any branch of your business and would you accept any reduction cheerfully and without a fight?

## Tulsa Board Votes Protest Unanimously

I want to say that every member of our local board voted the protest against the action of the Oil Insurance Association and the fact that certain individuals have been accused of carrying on this fight when those that are affected the most could sit back out of the limelight, speaks well for the organization of which they are members. For it is not possible for any individual firm, regardless of how large it might be, to carry on a matter of this kind by itself, and this is the reason that our Tulsa Board and the state and national associations have made their effort to forestall the most unreasonable action that has ever been attempted on the part of the companies in this state.

## Braniff Entertains Agents

Immediately following adjournment Thursday afternoon many of those in attendance at the convention traveled to "Wildwood," the country home of T. E. Braniff, president of the Prudential Fire of Oklahoma City. Splendid entertainment was furnished and all enjoyed themselves to the limit. This entertainment was one of the big features of the convention. The Prudential Fire was the host. There was a picnic barbecue and dance. T. E. Braniff is well known to the insurance fraternity. He is now chairman of the executive committee of the National Association of Casualty & Surety Agents.



W. LYLE DICKEY, Tulsa  
President American Agency Company



T. E. BRANIFF  
President Prudential Fire

# Supervisory Problems Need Solution

THE insurance department and board of Oklahoma is the one branch of state government where your interest should center. It has charge of the supervision of the companies and agents and with some limitations, the insurance business in general.

Last year the money collected by the department and the board in fees and taxes amounted to \$1,094,000. There was expended for administration \$32,000. I can think of no other branch of state government which approximates this record. I know of no other department which turns to the treasurer such a vast amount of money with so little outlay for expense.

The first year of statehood the department had an income of \$76,000 and used for administration expense \$10,000. Last year its income had increased 15 times while its expense had increased but three times over the amounts at statehood. I mention this to show you that this department has been sadly neglected

guaranty law was unsatisfactory. Likewise the adventure of our state into the hail insurance business was a failure and the law was repealed during my administration. Almost without exception the experiment of other states along this line has proven either disastrous or unsatisfactory.

However, motorists of this state and other states are today watching the outcome of the compulsory automobile insurance law of Massachusetts which has reference to rates for motor liability insurance and a similar act has been suggested for our next legislature.

## **Massachusetts Makes Mess of Compulsory Insurance**

You are familiar with the mess up in Massachusetts. The state put the law into effect, dictated the rates and made the people insure their cars. The rates were too low, the companies lost money, and when a conscientious and able insurance commissioner attempted to adjust them, political factors interceded and this commissioner resigned under pressure. Because of this experiment and the political equations involved, it is generally predicted that the conservative old state of Massachusetts is heading toward state insurance. If Oklahoma should do this the insurance world in general would brand us radical. The field of private industry and private enterprise should not be encroached upon by the state and with the convening of another legislature in January, let me say here that I shall oppose any such movement; neither shall I favor the establishment of a state rate-making bu-

reau. In fact, I am against the state getting into the insurance business in any way, shape, form or fashion.

## **Time Has Come for Qualification Law**

As I told you at Muskogee, I am whole-heartedly in favor of an agency qualification law. The time may not have arrived when the part-timer can be dispensed with in the rural sections but in the county-seat towns and the larger cities, I see no reason for such an individual. In the small towns and large cities there are agents representing companies who by a lack of knowledge are unfair to the assured and a discredit to the business.

In contemplating the enactment of an agents qualification law, let us give consideration to a few things. The right of an insurance company to contract with agents is a fundamental right and it can be abridged by supervisory officials and by legislation only when a yardstick is adopted by which to measure an agent's qualification. The right is not given to the state insurance board or the state insurance commissioner to arbitrarily determine the suitability of an agent or to say with whom the insurance companies may contract, unless a standard is first established by law by which to gauge the insurance agent's suitability.

In the regulation of the insurance business, the legislature could establish an educational test or such other test as it deemed necessary to determine the qualification of an agent applying for license to sell insurance. It is quite

possible that the Oklahoma legislature would enact a reasonable agency qualification law and I invite your attention to similar acts placed upon the statute books of other states which have stood the test of the courts.

But here let me call your attention to the fallacy of placing additional duties and responsibilities upon the supervisory authorities without first giving needed help to the departments. Any effort on your part towards obtaining relief at the hands of the legislature will be wasted, unless you first give to the department the proper kit of tools with which to work.

I believe you as agents, and the public, and the companies will be worse off by loading down the department and board with additional work and not providing them with competent and expert help.

A court decision this year very much limited the board's jurisdiction over insured agents, taking from it about all



**CHARLES L. GANDY, Birmingham**  
President Alabama Association

by past legislatures in the way of adequate appropriations.

## **Hindered by Lack of Adequate Funds**

In the supervision of companies and agents we do the best we can with the limitations imposed. There is much that could be done if we had the proper facilities with which to dispatch business promptly and efficiently but aside from being a first class collection agency it seems that we do but little. You must admit, however, that any organization turning over \$1,000,000 per year into the treasury on a total operative expense of less than 3 percent is doing well. Do not misunderstand me. I do not favor the collection of this large sum of money. I am against it, for I believe it is an inexcusable and unjustifiable tax on thrift and I favor the collection from the companies only that amount which is necessary in properly carrying on the work of the insurance department.

I should like to see more expert aid given to the department and the board for we could then render a genuine service to the public and agents and companies, as well as to map-out a program of constructive legislation. Not a sweeping program of radical legislation, no, but an honest program calculated to raise the standard of those engaged in the business and to guarantee the absolute solvency of all companies.

And this brings up the subject of needed legislation, but first I would warn against the state trespassing upon the freedom of business organizations. Oklahoma's experiment with the bank

## Agents' Qualifications, Duties Told in State Manager's Talk

**By WILL S. EBERLE**  
Insurance Company of North America

FOR years local agents have been freely expressing their opinions as to what a good company should be, and what it should and should not do. It therefore affords me pleasure on this occasion to give you my opinion as to what a good agent is, and what he should and should not do. At my request a field man summarizes an ideal agent as follows:

The one who is always found in his office, after 9:30 a. m., and greets the state or special agent as if he were a nuisance, can't understand why he makes up monthly reports, insists on having endorsements to care for Audit Bureau criticisms, or why he checks up policies on hand and tries to explain how business could be better handled or increased.

## **Humorous Definition of Agent Is Given**

This ideal type of agent never has his balances paid. He tries to play one company against another in the handling of target lines which he must place on account of the large volume of other more desirable business he hopes to get from the same assured. He takes school warrants and expects the companies he represents to extend credit so he won't have to discount these promissory notes. He frequently phones the state agent's office collect to report claims and talk about matters of no particular importance, ones that could be better cared for through the mails.

He can't be induced to cancel an undesirable risk without unpleasantness,

never can understand why a company should want to inspect any risk he has written. He objects to giving his companies a satisfactory bond. Such agents are more numerous than you think.

The insurance profession has grown beyond the "catch-all" point and into the field of trained specialists. And there are other changes of signal importance.

## **Business Always in State of Change**

Rating schedules are constantly being revised. Risks that were once looked on with favor have found their way in the doubtful class, and now, more than ever before, field forces are depending on the local agents in stabilizing the business along profitable lines.

The successful agents are in the front line because of their knowledge and grasp of conditions. They stand as a vigilant guard to see that nothing is allowed to weaken the standards of company requirements, and above all things are alert to the conditions of their town. They study the people, the real estate and the courts.

## **Companies Limit Classes They Write**

Every company has its limitations according to class. These lines are based on underwriting experience, and conditions in and surrounding the risk. Sometimes reinsurance on certain classes is difficult to secure. Therefore should request come to you to reduce or to can-

(CONTINUED ON PAGE 11)



**JESS G. READ**  
Oklahoma Insurance Commissioner

the authority which it once thought it possessed, and this needs legislative attention.

By lack of uniform practices and rules of insurance commissioners since statehood and board members since 1915, and by a conflict of these and legal advice in the past, we often wonder what the law really is and what authority we have. For one, I am convinced that the time has arrived for a sweeping change and have reached the conclusion that the most practical way to cure the multiplicity of ills now existing is to blot out all of our insurance laws and like Kansas two years ago, and other states, write a new and progressive code.

I wish to endorse the American agency system and the association of insurance agents. I wish all fire and casualty agents of Oklahoma were members of this association, for I believe that by subscribing to our code of ethics they would be benefited and there would be less trouble in the ranks.

In conclusion, let me assure you that I have a very high personal regard and sympathetic friendly feeling for the agents, and particularly for those who are striving to elevate the standard of their vocation; and let me add further that the insurance department is not desirous of interfering in any way with your business but we want your help and your cooperation. Our activity is not aimed to be one of a dictatorial nature but rather one of friendly mutuality. Let us work together to stamp out the sharp practices existing in the field and eliminate the undesirables—and when this is done, all interested parties will share alike in the accomplishment.



# President Reviews Past Year's Events

By M. E. WILLIAMS

WE have now approximately 300 members, an increase of 44 percent since Oct. 15, 1927. The new members have indicated great enthusiasm and loyalty to our association and very few have failed to renew their membership.

The advent of the automobile identification certificate, initiated by the National association among our members, has been a factor in increasing the membership and performing service to the public that heretofore they have not been accustomed. Our association, and members of the automobile committee, have sold tens of thousands of these certificates and they are in use in nearly every member agency in the state and they can become more serviceable by the agents educating the public to the need of them, strengthening the organization and creating an insurance dependence on our membership by the holder of these certificates.

## Legislation and Agency Qualification

The legislature has not been in session during my administration but we have, at our regional meetings, and through bulletins, requested the members to interview the candidates for the legislature and inform them of the need of the insurance department for increased appropriation. In a conference with the Insurance Commissioner, he intimated that an additional appropriation of approximately \$20,000 per annum would permit him to employ another actuary and sufficient clerical help to put into practice the agency qualification law and to enforce it during the coming and future years. The insurance commission, with the present force available, are unable to look into the qualification of agents and persons licensed as agents, nor have they the time to investigate many other insurance problems.

I think that enough revenue can be derived from taxes on insurance in Oklahoma, written out of the state, to take care of the additional appropriation and I believe it necessary that our membership should, before the election, go into this thoroughly with those who seek legislative offices. Again I wish to refer to this very important matter because the person soliciting insurance, and licensed to act as an agent, should be one whose principle business is that of insurance and who has an equipped office, issues and countersigns policies and is responsible to the company and the public because of his having been licensed to perform the duties of an insurance agent and when the companies make selection of this character of agent, it stands to reason that the loss ratio will be reduced, company collections will be normal, and a greater profit to all engaged in the business.

## Need for More Care In Agent Appointments

I have seen persons licensed by companies to write insurance who have no more business with that authority than they have to be the executive officer of the United States and I can not understand why a state or special agent, selected by the company because of his experience and supervising knowledge, should make these appointments and I think it is a reflection on the state agent to appoint men and women, who are utterly incompetent and inefficient. It is a menace to the insurance business and should be remedied by a local board or frequent conferences between the state and local agents, as well as by the insurance commissioner. The insuring public has a right to inquire and know whether or not the person who has been authorized to deal with them in insurance matters can furnish them the character

of contract that they should receive and it is only a question of time that if the companies do not mend this matter, then the legislature will seek radical means when all of it can be evaded at this time.

## Association Active in Fire Prevention

Your state association recently arranged with the National Board to mail to each of our members their publication "Safeguarding America Against Fire" so that our members will be thoroughly informed as to fire prevention matters in all particulars. The state association officers and its fire prevention committee, issued a circular requesting all members to sponsor activity during fire prevention week, in order that the assured may be convinced that the local agent is an important factor in the education of the public as to fire prevention and the protection of life and property therefrom, and I recommend that where there are two agents or more in a community that they invite local firemen, as well as members of civic clubs, to organize committees and in time the public will depend on the local agent, not only in this but in all insurance matters, when they feel that he is taking the initiative and performing duties in this very important phase of insurance.

## Local Insurance Boards Organized

Many local boards have been organized during the past year and are active and have given a good account of themselves to our state association. Our members thoroughly understand that where there is education collectively, there is also harmony and less selfishness in their midst.

At this session, you will be requested to take action on the resolution passed by the National association with reference to the companies that have willfully violated the Milwaukee declaration. We owe allegiance to the companies who have signed the national conference agreement and they should receive our patronage where and whenever possible and I trust that the day is not far distant when those companies who have not signed the agreement and have violated the Milwaukee declaration will find a ground on which to meet with us and place themselves in line with 97 percent of the companies doing business in Oklahoma.

## Satisfied With National Association Handling Affairs

You are no doubt thoroughly informed about the Oil Association question and the state association voluntarily offered its services to the Tulsa local association in order to adjust the differences, and in turn, the National association, acting on recommendations and initiative of your state association, sponsored a conference between officers of the various state associations interested in the insurance business and the representatives of the Oil Association. This conference was at West Baden Springs at the National association's convention in September and brought no immediate results as the manager of the Oil Association stated he had no authority to go into matters of commission other than previously announced.

I am satisfied that our National association, which has this matter in hand, will endeavor to find a remedy to correct this unheard of method of reduction in commission, which is in violation of the contract between the companies and the local agents. No notice except possibly a visit from the special agent,

or a rubber stamp on the renewal of the policy, was given to the local agent that his commission would be reduced and if we permit such a procedure to go without protest and action, additional reduction of commission can come over night and commission contracts between companies and agents will be merely a scrap of paper.

## Regional Meetings Prove to Be Highly Successful

We have sponsored this year, two regional meetings, one at Muskogee, with 94 agents present and an attendance of 124 insurance people. Also one at Lawton, with 75 agents present and 96 insurance men in attendance. Both meetings were exceedingly educational, snappy discussions, and possibly at no state convention was a livelier interest taken by agents. The agents expressed themselves frankly on all questions vital to their interests. The Lawton convention was under the direct handling of Vice-president E. R. Ledbetter, and was one of the best meetings from every viewpoint attended in Oklahoma.

The insurance business is rapidly changing as to forms and ideas and it is essential that if the public is to be educated and understand their policy contracts, that the agent should subscribe to as many trade journals as he possibly can. These publications furnish education and practically give to the local agent a panorama of the insurance business day by day.

## Deplores Reinsuring of Mutuals Business

Our state association stands committed to selling stock company insurance, believing that it is the most sound, stable, best and cheapest in the long run, because the company executives have life long experience and ability to keep the companies in high financial condition.

It is to be regretted that investigation in Illinois shows that 38 of the old line stock fire insurance companies are reinsuring business from mutuals and reciprocals and I take it that the same situation exists in all states. I can not see how the companies can reconcile their position, advertising stock company insurance and patronizing other kinds. Certainly no agent in our state association is permitted to handle reciprocals and mutuals because we do not believe that the local agent can "carry water on both shoulders."

## Companies and Agents Are Drifting Apart

Unquestionably, the companies and agents are drifting apart on matters affecting agents' compensation and company representation and there seems to be an air of uncertainty as to the position of the company to the agent, now and for the future. You doubtless are aware that the commission to agents have not been increased for many years. The volume has, which requires an increased expenditure for clerical help and otherwise. I am of the opinion that the premiums for fire companies in 1928 will show a decrease and the agents' income from that source will be diminished likewise.

Unquestionably, there are too many agents and too many companies. It is difficult for every company, with its annexes, to have an agency plant in all or the majority of towns, but I believe that if the agents, who are already established, will make a fair distribution of all business to all companies in their agencies, that there will be less number of new agents appointed, companies will be better satisfied and so will the agents, and this may be one of the combinations that will solve the question

of new agency plants and excess number of agents.

The companies and the agents should have the same aims and purposes, each useless without the other, and until they find themselves in conference on matters of compensation, prior to action taken by the companies alone, the uncertainty and unrest will not be cured or helped, and I wish to bring to your attention a portion of an address delivered by President John M. Thomas of the Western Union, at Manchester, Vermont, relating to these ideas. If company executives in other bureaus and like organizations concur in the opinion and ideas of Mr. Thomas and place in practice what they "preach," many of the agents' troubles and uncertainties will be banished and there will be increased confidence in the companies by the agents, which will ultimately be to the advantage of all concerned.

## Agents Should Hold Up Their Part of Agreement

You are aware that in March, 1926, the National Board and the National Association of Insurance Agents signed a conference agreement wherein the companies were not to plant in financial institutions in towns where competent and efficient agents were already located and prepared to take care of the insurance. We also agreed that our membership should remit monthly balances in accordance with that agreement within 45 days and I wish to call your attention to this again because if we expect the companies to live up to their part of the contract, we should live up to ours. Besides—prompt payment of balances places the agents in a position to be granted more favorable underwriting facilities and his or her agency is more highly respected by the companies.

## Better Condition Today From All Standpoints

In conclusion, I wish to state that I am of the opinion that the insurance business is in better condition today from the company's, local agents' and the assured's standpoint than it has been for some time. There are more forms of insurance on the market than we dreamed of 20 years ago and there is a greater degree of efficiency by those who take the insurance business seriously and make it the major part of their business. The local agents now can practically write any kind of a risk at some sort of rate and the insurance prestige held by the companies today is due, in a measure, to the experience and knowledge of the executives, as well as the sound financial condition of stock companies. There is nothing, as far as I can see, that will disturb the situation and there is a great deal of prosperity ahead for those engaged in it.

## Membership Increases

In his report as secretary-treasurer, M. B. Breeding said that although the association is out of debt the Oklahoma body's assessment for National association support this year is \$1,551. "The amount is increasing as we enlarge our membership. In order to meet this obligation, the membership should respond promptly and willingly in the payment of dues."

Mr. Breeding said that from the standpoint of membership the association has reached a height never before attained. He said that at last year's convention a membership of 204 was reported, and that at the present time the membership is 290. He said the National association is entitled to the major part of the credit for the membership increase, through the work of Field Secretary George Scott.

## Lyle A. Stephenson's Address Concerned with Four Subjects

**L**YLE A. STEPHENSON, well known local agent of Kansas City, Mo., gave an address which was in four parts, the subjects being "Insurance as a Business," "The Local Agent as a Local Agent," "The Company Manager," and "Advertising the Insurance Business." He said in part:

"Despite the clever quips of super-ironoclasts, I glory in the words, 'realtor' and 'mortician,' and any effort to idealize any line of business by the men engaged in the business is laudable and worthy the best consideration of the best minds in our civilization.

"Many of you have used the word 'insurer,' and if we earnestly strive to make this work more respected and more of an insurance trademark, the better it is for the world at large and the business in which we are engaged. We have a clear and definite duty to the public we serve and unless we take our business seriously and consider our underwriting as a business trust we can never hope to make of our business one that is outstanding.

### Emulation Will Lead to Improvement

"If every man in the insurance business were to take as an example one of his favorites who have made a place for themselves and emulate each day their accomplishments, it would immediately advance our business immeasurably. If we as insurance men accept this responsibility it does not take one which any great amount of imagination to figure the results that will come to us in the next ten years.

"The expansion of the insurance business is utterly beyond the comprehension of any 'day dreaming Joseph,' but the man who qualifies in his community can safely anticipate that the expansion is going to be so tremendous that the preferment and profit will be more than satisfactory to the one building on this sound basis.

### The Local Agent as a Local Agent

"It is the constant endeavor in our office to impress our entire organization with the fact that writing an insurance policy is identical with a loan of money by a bank. As we all know, banks have discount committees that carefully analyze all loans submitted, and if the discount committee is inefficient the bank goes broke. The committee cannot afford to take chances. Many of us know of examples where men have been relieved of their positions in banks due to their lack of judgment.

"Can men who conduct insurance businesses give an excuse for writing a risk that is substandard from a moral, physical or financial standpoint? What right have we to submit to the companies that we represent any risk that doesn't qualify? We receive a commission and the bank receives interest.

### Responsibility of Agents Tremendous

"I want to ask what difference there is between the two propositions. It is easy enough to say that the home office has an expert corps of daily report examiners who are paid salaries to accept or reject risks, but until the local agents are willing to do the bulk of the work for the daily report examiners, we are not living up to our responsibility.

"Do you fellows know that a shameful percent of the local agents of this country are totally inefficient? Blaming the home office officials for such appointments is no remedy. It is easy enough for us to give puerile excuses, but I think that it would be a good idea for us to admit that by the example we are willing to set as expert discount

men the companies will come to the idea that they have with them a group of men earnestly trying to hasten evolution.

"In addition to your duty to your company and to your own organization in enacting the part of a level-headed business man, may I suggest that the agent who is a slacker on his civic duties is one deserving of little or no consideration? We complain about the laws that we have to obey in both Oklahoma and Missouri, and if the insurance agents are honestly and genuinely a real part of the civic life of the community they can be of immense value to the insurance business as a whole.

### Agent Is Man Who Builds Good Will

"As the matter now stands, the local agent is the only factor building good will for the insurance business and



LYLE A. STEPHENSON  
Kansas City, Mo.

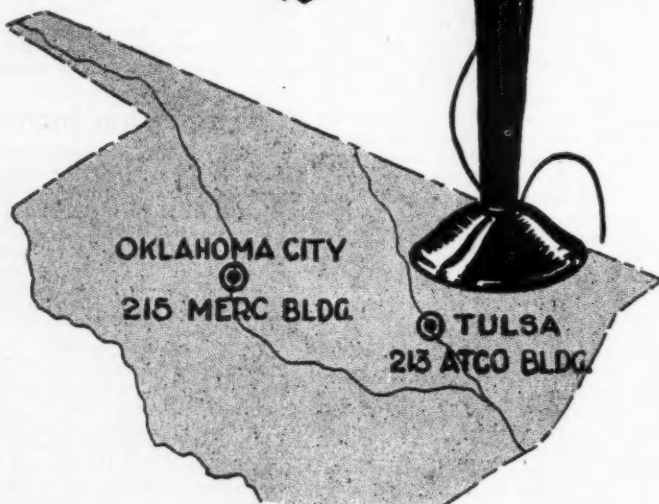
every time you fail in your local obligations you are tearing at the vitals of our most valuable line of endeavor.

"Honest propaganda calls for no excuses, and you as local agents should carefully visualize the local situation and constantly endeavor to correct conditions as they now obtain. But unless you are honest and a hard worker for the general development of your community you will have no effect. Accept your responsibility and go to bat for your community, the company you represent and your own business.

### Company Manager Is Discussed

"Now we will have a good time. Let us talk about the managers of our companies. Let us 'vilify' and 'criticise' and 'cuss the boneheads out.' Let us all recite how 'unsympathetic they are,' how inadequate our commissions, how 'totally inept' in every respect are these company managers, 'how wonderfully well we could fill their positions.' They are so 'totally lacking' in even the 'commonest conceptions' of what we are endeavoring to do and 'their underwriting judgment is so inadequate' that we often wonder why the company does not 'pension them.' There is entirely too much of this attitude toward our

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company executives, and it is indeed regrettable that our company executives in too large a number have the same sort of a feeling toward us.

"Every one of us could 'direct' the Liverpool & London & Globe or the North America or the Continental Casualty 'much better' than the official families of these companies, and the official families of these companies 'would double the volume of premiums' of our various offices if they had our job. I say most earnestly that it is the duty of the home office official and the local agent to break down this barrier.

#### Suggests Agents on Public Relations Committee

"I have had the nerve to suggest to the public relations committee of the National Board that it place on this public relations committee a number of outstanding local agents because I feel that a local agent knows more about public relations, due to his daily contact with the public, than it is possible for Colonel Layton of the National of Hartford to know sitting at a desk in Hartford.

"The insurance agents' association suspects the National Board and the National Board suspects the insurance agents' association. This condition is so obviously wrong that I am going to suggest that local agents accept my suggestion and advocate that the National Board put on the public relations committee some local agents. I am convinced that the exchange of ideas will be immensely beneficial to the insurance business in its entirety.

#### Conference Leads to Confidence

"I can accomplish more in the sale of insurance if I have the opportunity of sitting down at a prospect's desk and receiving his undivided attention than I can by sending him letters. If I sit at lunch with a man I can become acquainted with him in a very short time and my opportunity of selling business, and building good will is greatly enhanced.

"As the matter now stands, we receive letters from our home office officials and occasionally meet them on the golf course. But sitting down in a friendly conference has never been known, and until it is known the insurance business is going to be hampered.

"Unquestionably much sound criticism can be offered of the insurance agents association and many equally fundamental objections can be made of the National Board. No concerted effort is being made to break down this barrier aside from a rather well-maintained battle line which has developed into a ridiculous stalemate.

#### Sees Opportunity to Improve Conditions

"Urge your company officials to see that the public relations committee of the National Board is enlarged to include some level-headed local agents. This will not mean that the local agents of the country are running the National Board any more than it would mean that the National Board is running the insurance agents' association. It will be the establishment of a liaison between the two organizations which cannot help but improve conditions.

#### Advertising the Insurance Business

"Now we will talk on advertising. I am going to talk on advertising the insurance business both from the local agents' standpoint and the standpoint of the company.

"You cannot bribe a newspaper—get that flat. But newspaper men are as ignorant of the insurance business as is the public. We have an honest business, and telling the honest truth about our business will improve our business.

"I am advised that the National Board is going to spend \$250,000 advertising the insurance business in three or four

(CONTINUED ON PAGE 12)

## Attorney Warns of Dangerous Possibilities in Legislation

**S**PEAKING on "Insurance Agents and Legislative Program," Ned Looney of the Oklahoma City legal firm of Owen & Looney, general attorneys in Oklahoma for the United States Fidelity and Guaranty, warned the Oklahoma agents to keep close watch of the insidious attacks that socialism and the opportunist in politics are making on the business institutions of the nation.

"The insurance business of this country," he continued, "was originally charged by the state just a sufficient amount of tax to cover the cost of supervision. Today the states, almost without exception, compel insurance companies to pay a great deal more than the cost of supervision, the excess being diverted into other channels. Thus the state in many instances dictates the rate, and compels the company to protect itself as best it can against the criticism that 'rates on insurance are too high.'

"The state of Massachusetts in a fit of socialistic frenzy enacted the compulsory automobile insurance law, and the legis-

latures of other commonwealths are considering the preparation of measures along similar lines, in the face of the fact that the Sun Indemnity and Norwich Union Indemnity have ceased writing automobile liability risks in Massachusetts because of the sad experience under this most radical and unsound measure. A wayfaring man, though he be as ignorant and uninformed as many of our legislators, should understand the perniciousness of such a measure. The best minds of the land declare it to be unsound economically, deleterious to all business interests it touches, a menace to our court procedure.

#### Marx Proposal for "Compensation" Attacked

"This is not all. In 1924 Judge Robert D. Marx introduced a similar plan, but one more radical, if possible, than the Massachusetts law. He advocated compulsory insurance or 'compensation' regardless of fault, making the owner of every motor vehicle liable for limited

compensation. Later there has been advocated a modification of the Marx plan which is to compel every motor vehicle to insure 'compensation' to every person injured by the operation of such vehicle regardless of fault. The provisions of such a proposed measure clearly prostitute the very high aims of the workmen's compensation law. All thinking men should organize themselves into an educational committee and build an insuperable barrier of information in the minds and hearts of the people against the successful enactment of such measures in our commonwealth.

#### Liability Rate Increase Refused in Oklahoma

"In 1928 the National Bureau of Casualty & Surety Underwriters applied to the insurance board of our state for an increase in rates on liability insurance on automobiles. These rates are compiled by the bureau's actuaries based upon the compiled premiums and losses over a period of five years' experience, together with the trend, taking into account the number of suits filed and the larger judgments. Yet the insurance board of this state refused to promulgate the suggested rates. It is my opinion that the board's action was due to lack of facilities in dealing with such matters, for I believe that we have one

**We're in 14 States but OKLAHOMA'S our Stamping Ground**

**EIGHTEEN** years ago we started to write fire insurance in Oklahoma. Since then our business has expanded into 14 states. But Oklahoma is still our stamping ground. We deem it a privilege to protect so many Oklahomans from fire, tornado and automobile losses. We are a growing company in a growing state and we want agents who will grow with us. If you are interested in a home-state company with an unusual reputation for a real friendly spirit, write to

**RETAILERS**  
FIRE INSURANCE CO.  
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of the best insurance boards of any state.

"It is to the shame of our legislative bodies that notwithstanding the fact our Insurance Board has jurisdiction over companies that are bringing to the state more than \$1,000,000 a year in revenues, yet the appropriation to maintain that board has been so small that it is unable to employ necessary actuaries, and is destitute of a 'kit of tools' with which to cope with the multitudinous problems incident to its duties. This situation might be taken into account as you go forth to educate and instruct the folk at the grass roots.

"I have only touched lightly upon the dangers that lurk within the shadows of your great business enterprises. There are many others. It behooves you to stand foursquare in solid phalanx against the ignoble attack of socialism and the opportunist. The faithless and false in public and political life will be faithless and false in private life. Therefore, choose well whom you would have serve you in the legislative halls and law making bodies."

The Oklahoma association now has about 300 members. This is an increase of about 44 percent in membership since 1927. There is a regional vice-president in every congressional district of the state.

## Service of Inspection Bureau To Local Agents Is Described

By C. T. INGALLS  
Manager Oklahoma Inspection Bureau

TODAY, more than in the past, you are to the public not only local insurance agents but experts who can and do solve the various problems in connection with your business. The clients whom you serve rightfully expect you shall not only execute and deliver policy contracts which fully protect them, but shall also give expert advice as to fire protection, how to eliminate hazards and see to it that they receive proper credit in their insurance rates for improvements made.

You are also expected to give expert advice as to construction of buildings and how to reduce to a minimum the fire hazards therein contained. Your advice is, or should be, sought by your civil authorities in the matter of public fire protection, in connection with adequate water supplies, water distribution, fire department personnel and equipment.

You are the men known in your sev-

eral communities as representatives of the business of fire insurance. The thought which I would convey to your minds is the fact that to you, more than to any other factor, the insurance business must look for the dispelling of that prejudice which still exists, by the rendering of real service and creating in the public mind a better understanding of the great business which we represent and for which we have no apologies. United effort on your part in the rendering of real service and proper publicity will accomplish the desired results and you have at hand all the machinery and help you need, if you will only seek and ask for it.

### Work of Inspection Bureau Described

Now, how can the inspection bureau aid you in the carrying out of your program? It may seem unnecessary that I recite the functions of the bureau,

but I will do so briefly in order that you may know what we are trying to do to assist you, as well as the assistance which of necessity is required of you.

Our work in the field begins with the classification of cities and towns which have any public fire protection. Our engineers deal with the various civil authorities in connection with water supplies, pumping machinery, mains, hydrants, fire department equipment and personnel and suggest that proper fire protection ordinances be enacted and enforced. They keep constantly in touch with the condition of fire protective features of each city and town and endeavor to see that they are kept up to the proper standard.

After the classification is settled by our engineers our inspectors are sent out and inspections are made of all properties, with the exception of dwellings. Our inspectors are required to tell the owner or party in charge of each building of the hazards found, what he can do to remove them, or at least minimize same, and leaves with him a memorandum showing the charge for each remedial defect, unless same are removed. He also suggests that first aid protection, such as chemicals and fire hose be installed and states the credit that will be allowed if this is done.

### Many Owners Are Not Interested in Advice

If the owner is interested in removing defects, he is given a reasonable time to do the necessary work and the charge is not included in the rate. Unfortunately, too many property owners are not interested in the advice offered by our inspectors and when the rate is published you are called upon to explain why you charge such an "exorbitant" rate.

One of the many branches of service rendered by the bureau, and a very important one, is to satisfy the property owner that his rate will be right, before he builds. We have many plans of new buildings submitted to our office by prospective builders, or their architects. We examine the plans and offer advices as to construction, protection of interior and exterior openings, safe installation of equipment, first aid protection, and in fact, of all things which will make the building a safe one to life and property.

### Owner Recognizes Justice of Standard

If the owner cannot, on account of lack of funds, construct a perfect fire resistive building and thus secure the lowest possible rate, he is satisfied with the rate offered, fully realizing that our rating system is right in recognizing with low rates standard construction and that it is not the fault of this system if he cannot meet the requirements.

We do not receive as many plans of buildings in our office as we should, and I attribute this to the fact that the property owners generally are not aware we furnish this service without charge. You would do well to encourage your clients to come to us before they build and if you will do so I will guarantee in every case you will have a satisfied client and one who will not complain of the rate he is paying you.

### Cordial Cooperation Given by Many Agents

At this juncture, I will say that our office has had the most cordial cooperation from many of the local agents of this state and will add that the agents contained in this category are largely those who belong to your association. It is well for local agents to bear in mind the fact that the inspection bureau is an important part of their business and that they should defend it on all occasions in their dealings with the public. If they have a grievance against the bureau, real or fancied, they can always get their trouble straightened out if they will only submit same to the manager.

It has come to my attention on nu-

## GREETINGS—OKLAHOMA INSURORS



FIRE AND ALLIED LINES

OKLAHOMA CITY, U.S.A.

SECOND FLOOR—GRAIN EXCHANGE BUILDING

AUTHORIZED CAPITAL AND SURPLUS \$1,000,000.00

Organized and Fostered by the Leading Insurance Agents of the Southwest Who Are Familiar with This Fields Requirements

ONE HUNDRED PER CENT FOR AMERICAN AGENCY SYSTEM

NO FISCAL AGENCY  
NO GENERAL AGENCY  
NO PROMOTION STOCK

ALL AGENTS REPORT DIRECT TO HOME OFFICE

### OFFICERS AND DIRECTORS

Robert M. Eacock, President  
S. P. Berry, Sec'y-Treas.  
Paul G. Liebmann  
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J. A. Eisele  
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W. C. Bunyard

Judge George M. Nicholson, 1st V. Pres.  
Colonel T. D. Turner, 2nd V. Pres.  
John St. Clair  
Charles Edward Johnson  
Claude T. Sigmon  
R. H. Wilson

CORRESPONDENCE INVITED



merous occasions that some agents have agreed with the insured that his rate is too high, but that he could do nothing about it, as the fault lay with the bureau. In my opinion such a statement displays his ignorance and indifference to the fundamentals of his business, which would even be obvious to the intelligent insured.

#### Get Copy of Survey on Request From Client

Any agent, by getting a written request from his client, can secure from the bureau a copy of the survey which shows every charge and credit entering into the rate, and, if necessary, the service of our inspectors who will explain how the rate is made and what is required to reduce it. I would suggest to all agents to whom the operations of the bureau are not familiar, that they can render a real service to their communities and the business which they represent by calling upon us on all occasions where the bureau can be of assistance.

A greater effort should be made to encourage your people to clean up and take care of their properties and in this work the bureau can and will assist you. I would especially plead with you to keep closely in touch with your civil authorities and assist them in keeping up to a high efficiency their public fire fighting facilities and permit our engineering staff to help you in this most important work.

While I realize that to you, what I have said is an old story, my object in appearing before you is to emphasize the need of adding vigor to the campaign involving service and public relations, which is vital if we hope to keep in the van in this highly competitive age.

#### Audit Bureau's Work Explained by Manager

W. B. Clinite, manager of the Oklahoma Audit Bureau, spoke to the agents Wednesday afternoon. He said that the audit bureau serves the companies, the agents and the public. He pointed out that by using the audit bureau much time is saved, stating that if the agent had to wait for each company to audit the daily reports it would entail a long wait. Mr. Clinite said that if an occasion arises where an agent would like to have an average rate given, all the agent needs to do, is to submit two copies of the form and coverage and the audit bureau will gladly figure the rate.

The cooperation of the agents and constructive criticism is welcomed. He told the agents that the audit bureau is not infallible. He also mentioned some of the errors of the agents which are most common. He said that many agents fail to put sufficient postage on letters which are sent to the audit bureau. He stated that oftentimes the wrong company name will appear on policies and endorsements and that wrong cancellation tickets will appear on the wrong policy. He said oftentimes that the name of the town is omitted and also the name of assured is missing from daily reports. He advised the agents that in many cases correct dates and term are not given and that the proper clauses and permits are not attached.

Mr. Clinite said that his office very often receives mail which should have been sent to a casualty or life insurance company office and that they often received reports which should have been sent to the state auditor.

Charles L. Gandy of Birmingham, Ala., vice-president of Ed S. Moore, Inc., president of the Alabama Association of Insurance Agents and member of the executive committee of the National association, who was a speaker at this year's meeting, has attended the last 18 meetings of the National association.

## National Association Deserves State Organizations' Support

CHARLES L. GANDY of Birmingham, Ala., in discussing "The National Association," said that agents have not really learned how to operate their business, stating that many of them are still using a three-ton truck to deliver a spool of thread. He pointed out that the margin of profit in the average large agency is rapidly reaching the vanishing point. He urged the agents to get back to fundamentals and become real dyed in the wool insurance agents. He told the agents they should organize for the preservation and protection of their business and that they should start at the foundation, pointing out that the local boards are the backbone of the National association.

#### Need for More Local Boards Is Pointed Out

Mr. Gandy said that when local boards are formed in every town in the state the state and the National association will found to be strong enough to cope with any problem that may arise. He believes that with such an organization the agents would be consulted

when there is a question of a raise in rates or a decrease in commissions. He stated that then there would be no chance of a second Chrysler proposition being considered and that there would be a rift in the branch office idea. He is of the opinion that today the question of branch offices is one of the biggest problems before us.

#### Agents Should Think About National Affairs

He urged the agents to think National thoughts, not to confine their thinking to matters affecting only their own state, and that all agents throughout the country should consider themselves agents not only of their own state but of the United States. In his opinion cohesion should be brought about by cooperation and coordination. He said that all agents should get a national vision.

Mr. Gandy stated that he had no idea of the vast amount of work being done by the National association until he became a member of the executive committee. He stated that the National

association always tried to be right, that there are dozens of cases constantly being handled for agents from all parts of the country. He said the National association has been slow to act, and challenged any fair minded member to show where the national body has gotten off on the wrong foot. He believes that the national organization has pursued a policy of caution always.

#### Cooperative Value of the National Organization

In a very able manner he pointed out to the agents the value of a national organization. He said that while it is possible the agents in any one state may be strong enough to handle any situation which may arise, it is possible that the agents of Alabama or some other state may be confronted with a problem which they could not handle, and it would become necessary to have the help of the agents of Oklahoma and other states throughout the country. He cautioned the agents not to build a fence around their own state. He said that the state is great because it is a unit of the greatest nation on earth. Oklahoma, as other states is an integral part of the United States. He asked what would happen, for instance, if Oklahoma or Alabama were a nation

(CONTINUED ON PAGE 12)

L. N. Ewing, President

of

L. N.

**EWING**

COMPANY INCORPORATED

General Agents

TULSA, OKLAHOMA

Offers the following facilities for

Oklahoma Agents

*Casualty and Surety:*

Commercial Casualty Insurance Co

National Surety Company

*Fire:*

Bankers and Shippers Insurance Co.

Brooklyn Fire Insurance Company

Eureka-Security Fire & Marine Insurance Co.

Merchants Fire Insurance Company

Department Heads:

Office Manager, C. E. Thacker

Agency Department, C. E. Thacker

M. Spawr, Assistant

Special Agent, A. E. Lowe

Accounting, C. W. Allan, Treasurer

C. H. Happel, Auditor

Claims, T. J. Brickner

Casualty, R. R. Kennedy

Fire, G. H. Edler

Surety, G. M. Holmes

Forgery & Fraud, P. D. B. Greathouse

Safety Engineer, Walter Laswell

# Agents Should Understand Changes

By J. S. ADAMS  
Manager Travelers, Oklahoma City

**R**ULES, regulations and rates of casualty insurance together with its other ramifications continue to constantly change. These changes when not properly understood by agents are necessarily misunderstood and misinterpreted by policyholders. This misunderstanding should not exist. It is when rates are increased or when procedure is radically changed that our policyholders usually question the reasons therefore and condemn insurance companies and agents.

We cannot promote good will for our business when our assureds have erroneous impressions regarding changes in forms, rates, etc. It is true that the insurance business, generally speaking, particularly casualty insurance, is much more popular with the general public than it was a few years ago. However, there is still much to be desired. If we who are in the field would familiarize ourselves with the details concerning each change in rate or change in form and explain it to our policyholders and prospective policyholders in a clear and understandable manner, we would do much to assist our insurance board and other responsible bodies in their handling of our problems.

## Interests of Company and Agent Intertwined

We must remember that our interests and the interests of the insuring companies are so closely interwoven that our failure to properly understand the various changes that come in our business may in a large degree be responsible for the non-acceptance of much needed reform. Rate increases are always unpopular. They are unpopular with assureds, unpopular with agents and unpopular with insurance companies. However, it is impossible to conduct insurance business at a loss, the same as it is impossible to so conduct any other business. We should then be ever on the alert to reduce the general expense of conducting our business.

We in the field should make certain that the companies are promptly and properly notified of any claim arising under any policy. We should assist in any program which is for the general betterment of our business.

## Claim Payments on Public Liability Rise

Let us look at a few of our casualty lines and see what has taken place during the past year. Claim payments under the public liability portion of automobile policies took a decided upward turn during 1927 and the indications are that 1928 is no better. This trend was observed as far back as 1924 by underwriters, actuaries and rate making bodies. It is quite natural that this loss

trend should be made a factor in the computation of rates. Therefore it behooves us to explain to each of our policyholders the necessity of promptly reporting every accident or circumstance that might produce a claim. It is important that the names of witnesses should be secured and all other necessary information gathered. This will materially help the adjusters for the interested companies in the expeditious handling of claims, and we all know

that the claim that is quickly handled is the least expensive.

Burglary insurance rates in Oklahoma are high. Neither you nor I believe that our present burglary rate properly reflects or represents the high class citizenry of our state. It is entirely probable that we have not given enough time to the solicitation of this line. We have not been careful in writing adequate amounts of insurance, for had we done these things, I feel sure that our

burglary rates would have responded to these good practices and would have been in line with rates charged in adjoining states.

The residence burglary line is destined to be a great premium producer. We therefore should give the solicitation of this line the time, thought and activity that it deserves. Let me again repeat that our Oklahoma rates are not as much a criticism of the class of people that live in Oklahoma as they are of those of us who are charged with the production of business in this desirable line. Residence burglary forms have been liberalized. Our assureds are constantly reminded of the activity of thieves and burglars. We should therefore give this line the attention that it deserves.

Workmen's compensation—there is not one among you who have not had his trials with compensation. Yet it is possible that if we as producers had observed a few simple rules, the conditions of this line would have remained in a far healthier condition. No form of insurance will touch quite so many people. It is necessary that compensation be properly serviced, but the responsibility of servicing this line does not rest entirely with the insuring companies. We in the field should remember that our good friends, the physicians and surgeons, play an important part in rendering service in this line. I believe that if we would each one sit down and talk frankly and earnestly with our industrial surgeons that much could be done to reduce surgical costs.

If in the average case an injured man could be returned to his duties one or two days earlier, it would result in an enormous saving in compensation payments. If employers would promptly and accurately report accidents to the insurance companies, much time and investigating expense could be eliminated. Every agent has an opportunity to render signal service to his compensation company by assisting in these matters.

The small risk problem is as we all know a very troublesome one. Much has been taken to improve the situation. A good many changes in rules and regulations have taken place during the past 12 months, especially in regard to policy issuance and bureau procedure. We should all thoroughly acquaint ourselves with these changes, so that unnecessary correspondence, loss of time, and additional administrative costs will be avoided.

Summing up our general situation in casualty insurance, our agents and our field underwriters can perform a very signal service for the business as a whole by conscientiously studying out and properly explaining each condition and change in the casualty lines.

## Pearce Explains Why Agencies Need Better Business Methods

**J.** S. PEARCE of Pearce, Porter & Martin, Tulsa, spoke briefly Wednesday afternoon on "Better Business Methods." He told of various systems used in many agencies throughout the country. He commented upon the good work of the committee of the National association which has given much time and thought to better business methods. Good accounting methods, he said, are more important in any business but any accounting system used must be fitted to the agency. He suggested to the agents that they adopt a simplified method by using ideas they may derive from the accounting system recommended by the national body. In his opinion there are three important divisions in the development of any business or organization. First, the people employed; second a detail system; third, the development of a method of producing business.

Mr. Pearce told of the methods used in his office at Tulsa. He had with him many of the forms and blanks which the agency is using successfully and explained to the agents how these were being used. He touched on the importance of having a complete line card. Among other subjects of importance

which he told about were the use of a prospect list, reports of business produced, surveys of insurance, expiration records and collections.

He said that he believes that a solicitor will accomplish much more in his day's work if he will spend at least one-half hour each morning in planning his work. He believes a real service department is of much value to an insurance agency. He stated that an agent should not just try to sell a man something but should only place that insurance that a man actually needs. He emphasized the value of an analysis of a man's insurance.

Mr. Pearce and his agency are great believers in advertising. He attributes much of the success of his agency to it, as his firm has been a consistent advertiser for several years. He advises every agency to advertise, whether it be a large or a small agency. He believes newspaper advertising is most valuable. In his opinion, there is nothing more important to an agency than that proper attention be given to losses even though the loss be a small one.

Following the address of Mr. Pearce, President Williams spoke briefly of some of the plans used in his office. He stressed the importance of a system in an office. He also said he has found that it has been very profitable to his office to render service to his clients, such as giving information where fire doors and fire extinguishers, etc., may be obtained. In Mr. Williams' office there is a catalogue showing the names of the manufacturers of all such equipment. He said that his office has had many requests for this material. He believes an agent is wise who lets his customers know that he has more than the other fellow has to offer him.



J. STEWART PEARCE  
Tulsa, Okla.

**IN THESE DAYS OF  
COMBINATION AND AMALGAMATION**  
a few of the progressive and far-seeing  
companies ARE DECENTRALIZING

and placing Home Office Service at your very door as typified by

# KANSAS UNDERWRITERS

General and State Agents, Wichita, Kansas

SIX HUNDRED PROGRESSIVE AGENTS INVITE YOU

KANSAS

MISSOURI

OKLAHOMA



## Agents Qualifications and Duties

(CONTINUED FROM PAGE 4)

cel, do so promptly and cheerfully. The company has good reason for the request or it would not ask it. Delays in obeying are exceedingly dangerous.

Every company expects its field men to keep in touch with the business on its books. This compels periodical inspections. Therefore, satisfy yourself as to the moral, financial and physical standards before binding the company, then guard against the evil of over-insurance, particularly in regard to dwellings and household goods.

An agent is graded by the character of business he selects, the underwriting methods pursued, his loss record over a period of years, and the manner in which he collects and pays his premiums. He should exercise the same prudence in placing the companies' liability as the bank cashier exercises in placing the loans of his bank. It is the man you are insuring against a mishap to his property.

### Some Things

#### Agent Should Do

When a loss is reported to your office, immediately investigate to determine the cause and extent of damage; then forthwith prepare in duplicate the usual loss notices, complete as to detail, mailing one copy to company and field headquarters, respectively. It is not necessary to call up adjusters, as prompt assignments will be made to competent adjusters. The agent's duty ends in so far as the loss is concerned when notice is forwarded, unless instructed otherwise by proper authority.

Your commissions are only a part of your business. You are entrusted with the companies' income in so far as you contribute to it. Exercise the cardinal principle which is so necessary to success in every well regulated business—prompt collection of your own accounts. When an agent is compelled to build his business at the expense of unsound credit practices he is paving the way to grief. Agents should educate the public to understand that the fire policy is at least on equal terms with the life policy in so far as the premium payments are

concerned. They allow so many days' grace to pay or the indemnity is off.

### Companies Need Balanced Ration

Feed your companies a balanced ration. Some years ago, when I was transferred to Oklahoma, I took occasion to classify the business on our books from the different agencies. It was surprising to learn the habits of some agents in distributing the business to the various companies, being under the impression that it was the volume primarily that the companies desired, rather than the class.

There are many agents in the smaller towns who feel that they have reached the limit of their capacity in having written practically all of the fire business which the town affords. How about rent and rental value, leaseholds, tourist baggage, transportation, explosion, use and occupancy and other lines that could be developed by an aggressive agent? Many agents of the larger towns are embracing this opportunity.

I have been asked to give an interpretation of what constitutes an ideal local agent, rather than give only my own views, I sought the opinion of several field men and others whose business is closely related to the insurance profession. I fear that if every agent would meet the standards, there would be little for the field man to do.

He should be a student of the business, able to discuss the advantages of the various insurance contracts to the business interests. He should select his risks with that care and discretion that would apply should he personally assume the liability. He should keep constantly on the alert to detect possible moral and financial hazards. He should promptly attend to all criticisms and endorsements that may be filed with him for attention. He should be ever on the alert to increase the premium income, keeping in mind that a well balanced classification calls for a high percentage of the preferred type of business if he expects the company to participate in the less desirable offerings.

## C. T. Evans Tells of Value of Association

Charles T. Evans, vice-president Home Fire of Little Rock, Ark., made a decided hit in speaking to the agents Wednesday afternoon. Mr. Evans has



CHARLES T. EVANS, Little Rock  
Vice-President Home Fire

come into national prominence as a speaker before insurance gatherings. He has appeared on the platform of several

of the most important meetings of insurance men during the past year.

His remarks to the Oklahoma agents dealt principally with the value of "Association." He pointed out that the contacts and the acquaintances made at meetings of this kind were invaluable. He said that not only do we make acquaintances at such gatherings as this but very often the acquaintanceship ripens into friendship and that there is nothing to equal true friendship in this life. He stressed the importance of fellowship, pointing out how men have grown and prospered through life's journey very much because of fellowship. He stated that unless we are friends we cannot hope to have a good association.

Mr. Evans gave it as his opinion that the agents must always bear in mind there are three factors always to be considered, the agent, the company and the public. He stressed the importance of an agent becoming better acquainted with his competitors in his home town. He believes that fellowship makes a wonderful foundation. He urged the agents to become better acquainted with their companies, general agents and field men, and when this is done there will be few, if any, differences between the companies and agents.

Ed Overholser, president of the Oklahoma City Chamber of Commerce, who delivered the address of welcome, is also one of the officers of the new Prudential Fire of Oklahoma City. During the past year he spoke at regional meetings held at Muskogee and at Lawton.

## Associated Fire and Casualty Underwriters of Oklahoma City, Inc.

210-211 Cotton Exchange Bldg.  
Oklahoma City, Okla.

We welcome you to this Convention with much pleasure and hope that our deliberations together may make a better understanding of our problems and together we may pull as a team and win the things we are striving for in our Association work.

### MEMBERS

O. W. Aubrey Insurance Co.  
L. I. Baker Co.  
F. Wiley Ball  
Bradburn & Hull  
T. E. Braniff Co.  
Daniel & Estell  
Delaney & Co.  
Ancel Earp & Co.  
Gardner-Clarke & Sullivan  
Godfrey Insurance Agency

Gould-Klein Ins. Agency  
Howard Graves Ins. Agency  
Gum Bros. & Co.  
Al Heiman & Co.  
E. R. Ledbetter Ins. Co.  
Ben A. Longfellow  
Mager Mortgage Co.  
J. F. McCullough Co.  
Neff-Head Insurance Agency

G. A. Nichols  
Phillips & Secor  
Ed M. Seamans & Co.  
T. Dana Roberts & Co.  
J. H. Robertson  
C. E. Stickley Co.  
C. W. Turner  
Eugene Whittington & Co.  
Workman-Carlisle Co.  
J. E. Whittle Ins. Agency



## GROWTH!

The Mid-Continent now operates in Oklahoma, Arkansas, Texas and Louisiana. In addition to their expansion of territory, the organization has erected a new home office building fully equipped to offer its agents the greatest of cooperation. This growth has become possible thru the clear understanding between the agents and the home office.

## Stephenson Questions Value of Cooperative Advertising Campaign

Following the address of Lyle A. Stephenson of Kansas City, several of the agents took advantage of Mr. Stephenson's presence and asked many questions on advertising, showing that this is a live subject with the agents. When asked for his opinion on cooperative advertising, Mr. Stephenson said he is not so strong for this kind, because as a general thing the agents' association is not in a position to take space large enough to attract attention. He believes that a vast amount of good could be accomplished for the insurance business if the insurance companies would set aside a fund for advertising. A fund of 1/15 of 1 percent of the premium income would be sufficient to carry on a splendid advertising campaign.

### Up to Companies to Launch Campaign

In the course of his remarks Mr. Stephenson urged the necessity of persistent advertising and frequent changes of copy. He believes that it is up to the insurance companies to inaugurate a campaign on a large scale if the public is to have confidence in the insurance organizations. He pointed out that the companies too many times are mere bankers. In his opinion company officials should call the agents into conference when considering an advertising program. He pointed out that the agent is much closer to the public than the company official can possibly be.

Mr. Stephenson had with him a portfolio which contained many of the advertisements that he has used so successfully in Kansas City. He also distributed several of the blotters he has used. These proved very interesting to those in attendance.

## National Association Deserves Support

(CONTINUED FROM PAGE 9)

to itself, would we have made one tenth of the progress which has been made. He compared the National association with the national government.

Mr. Gandy said that a fine example of the value of the National association is shown in the situation which exists in California today in regard to bank agencies. The National association has



J. G. LEIGH  
Little Rock, Ark.

told the California agents that the national body was backing them to the limit. This has encouraged the California agents a great deal in their present fight. He asked if it wasn't possible that the agents of Oklahoma may some day have a very serious problem? If they should, the Oklahoma agents are assured that the National associa-

tion would back them to the limit.

He touched briefly on some of the accomplishments of the National association. In his opinion, the national body justifies its existence, if for no other reason than that the companies know that the organization is on the job continually guarding the interests of the local agents, constantly on the lookout to thwart those who might wish to harm the American agency system. He said that as a national government stands behind the states so too does the National association back up the state associations. He told those present that the national body is worthy of their support and cooperation and urged those present to start right now and build their fences.

Agents, he said, should be consistent. He told how the principles of the National association are threshed out and passed on at its annual meetings, stating that the best brains in the business establish its principles and that all agents should stand upon them. In his opinion when the national organization declares a particular insurance company is in violation of its principles, an agent ought either to give up such a company or resign his membership in the association.

### LEDBETTER IS PRESIDENT OF OKLAHOMA ASSOCIATION

(CONTINUED FROM PAGE 1)

annual meeting at Tulsa, in 1929 and the state association has pledged its support at the Tulsa agents to help bring the meeting to Tulsa.

M. E. Williams, the retiring president, was chairman at all the sessions of this year's meetings and is deserving of much credit for the manner in which he performed his duties. He kept things moving along at a lively clip throughout. This was Mr. Williams' second term as president of the association, he having occupied that position in 1925 and was again chosen for this office in 1927. He is a hard worker and has the interest of the organization at heart at all times and has made a splendid record.

### Breeding Retires as Secretary-Treasurer

M. B. Breeding, Oklahoma City, who retires this year as secretary-treasurer, has occupied that position for the past two years, being elected in 1926 and again in 1927. There is no person in the organization who has worked harder for the association during the past two years. His work has been highly satisfactory to all concerned and the members regret that he cannot continue in this office.

E. R. Ledbetter, Oklahoma City, the new president, is a young man of proven ability. He is the active head of the home City. His agency is rapidly forging to the front rank. He is a former president of the Associated Fire & Casualty Underwriters of Oklahoma City and last year was vice-president of the state association. He has taken a very active part in the affairs of the local and state associations for several years. In addition he has been prominent in civic affairs in his community.

### STEPHENSON'S ADDRESS TAKES UP FOUR TOPICS

(CONTINUED FROM PAGE 7)

states with the idea of popularizing our line of endeavor. I am very much gratified that this is being brought about. The condition that obtained in Mississippi a few years back and the unfair attack on the insurance companies now going on in Kansas and Missouri would not have been possible if the insurance companies had followed the example of the Standard Oil Company. Urge your

company executives to amplify this advertising program with the one thought in mind that all we have to do is to tell the truth about our business.

"Advertising a local agency is like building a house. I am going to summarize the experience of our own office:

"Twenty-one years ago in August I started in the insurance business and the old stand-by which all of us use; a blotter was the first venture. A wholesale grocery house gives a salesman a certain definite geographical territory and plus his sample case he is given advertising matter of one kind or another. If the insurance agent will take six geographical territories and constantly work them, one each day a week, and leave a blotter on the desk of the man on whom he calls, provided the insurance agent has even average intelligence, his success is assured.

"Appreciate the fact that you must not go broke by too great an expenditure initially. The development of an advertising campaign is a slow process. Following the blotter we ventured into the 'Kansas City Star,' and we have consistently, year in and year out, appeared in the 'Kansas City Star' night and morning. We have used billboards, and to a very limited extent trade papers, which I advise against.

"Our advertising policy at present is confined to the blotter, the newspaper and three billboards."

### CONVENTION BREVITIES

L. I. Baker of L. I. Baker Company, Oklahoma City, secretary of the Oklahoma City Casualty & Surety Underwriters, was in charge of the registration desk. He was very ably assisted by L. H. Wahl of T. E. Braniff Company, Russell H. Taylor of Alton Jennings & Co., O. G. Hannum, Jr., of Mager Mortgage Company, and G. R. Aubrey of the Aubrey Insurance Company.

Mrs. M. B. Breeding was chairman of the ladies' entertainment committee. The other members of this committee were Mrs. J. F. McCullough, Mrs. E. R. Ledbetter, Mrs. H. S. Carlin, Mrs. T. E. Braniff, Mrs. L. H. Wahl and Mrs. D. N. Jones.

President Williams announced that during the past year two very successful regional meetings were held, one at Muskogee and the other at Lawton. At the Muskogee meeting 124 insurance men were in attendance. The Lawton meeting brought out 75 local agents.

R. H. Siegfried of Tulsa, who spoke to the agents Wednesday afternoon, made the trip to Oklahoma City by airplane. This was his first airplane ride and he was highly pleased with it.

Charles L. Gandy stated that this was his first visit to Oklahoma. President Williams, J. F. McCullough and E. R. Ledbetter met Mr. Gandy at Wewoka and gave him a glimpse of some real oil fields.

The executive committee of the Oklahoma association held a meeting during the noon hour Wednesday. Charles L. Gandy, member of the executive committee of the National association, met with the local committee.

## BATES ADJUSTMENT COMPANY

"Since 1897"

The Bates Adjustment Company extends greetings to the State Association of Insurers.

We wish to congratulate the State Association and the National Association upon its rapid strides along the lines of closer co-operation, expert service rendered and correct practice advocated.

NORMAN NELSON, General Manager.

### OFFICES:

OKLAHOMA CITY, OKLA.  
TULSA, OKLA.  
TYLER, TEXAS

DALLAS, TEXAS  
AMARILLO, TEXAS  
ABILENE, TEXAS

SAN ANTONIO, TEXAS

## THE NATIONAL UNDERWRITER

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IT PAYS TO BE A NATIONAL UNDERWRITER READER OR ADVERTISER

## *It costs \$4.00 a year to Attend All the Conventions The National Underwriter Way*

**T**HIS is an age of conventions, sales congresses, association meetings and get-togethers.

Not so long ago affairs of this sort were few and their worth was looked upon as dubious by many.

Today there is hardly a meeting or convention of insurance men that does not contribute something worth while to the business of insurance.

Of course it is physically impossible for you to attend all the worth-while gatherings, had you the time and inclination to do so.

Thus it is one of the functions of the National Underwriter to attend these meetings for you—to be your proxy—to give you the meat of what transpires.

In order to faithfully report these meetings, besides the full reports carried in the regular editions of the National Underwriter (Fire Edition) the following conventions are reported in fuller detail in our special numbers and special inserts:

The Mid-Winter Health & Accident Conference  
The Mid-Summer Health & Accident Conference  
The Texas Local Agents Convention  
The National Association of Insurance Agents Convention  
The Iowa Local Agents Convention  
The Illinois Local Agents Convention  
The Michigan Local Agents Convention  
The New York Local Agents Convention  
The Kansas Local Agents Convention  
The Ohio Local Agents Convention  
The Tennessee Local Agents Convention  
The Oklahoma Local Agents Convention  
The Fire Underwriters Association of the Northwest  
The Indiana Insurance Day Convention

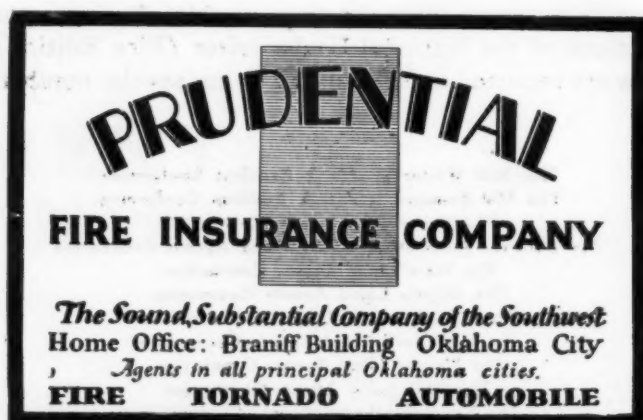
## The National Underwriter

:: CHICAGO ::

MEMBER OF THE AUDIT BUREAU OF CIRCULATIONS  
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## *To the Insurance Agents of Oklahoma:*

**T**HE 1928 Convention of the Oklahoma Association of Insurors is the first one in which the Prudential Fire Company has had the privilege of participating. Having commenced business July 1, 1928, it is yet in its infancy—but it is being properly reared. It inherits the conviction that the American Agency System is the best one that has ever been devised for conducting the insurance business. It will crawl before it walks. Hence its activities are, at present, confined to the State of Oklahoma. Its future progress is assured by the character and substance of those who stand sponsor for it. It has the good-will and support of the people of Oklahoma, therefore its representation is a valuable franchise. It wants good representation where not already represented.



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